

**DATE: 30 JULY 2025**

**XJ INTERNATIONAL HOLDINGS CO., LTD.  
(as Company)**

**AND**

**ORIENT SECURITIES LIMITED  
(as Placing Agent)**

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**PLACING AGREEMENT  
relating to the placing of up to  
464,973,996 new shares  
in the share capital of  
XJ INTERNATIONAL HOLDINGS CO., LTD**

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**THIS AGREEMENT** is made on the 30<sup>th</sup> day of July 2025

**BETWEEN:**

1. **XJ INTERNATIONAL HOLDINGS CO., LTD**, a company incorporated in the Cayman Islands with limited liability and whose registered office is situated at PO Box 309, Ugland House, Grand Cayman, KY1-1104, Cayman Islands, and its principal place of business in Hong Kong at 40th Floor, Dah Sing Financial Centre, No. 248 Queen's Road East, Wanchai, Hong Kong (the "**Company**"); and
2. **ORIENT SECURITIES LIMITED**, a company incorporated in Hong Kong with limited liability and having its registered address at Room 2204, 22/F, New World Tower 1, 16-18 Queen's Road Central, Central, Hong Kong (the "**Placing Agent**").

**WHEREAS:**

- (A) As at the date of this Agreement, the Company has an authorised share capital of US\$100,000 divided into 10,000,000,000 Shares (as defined hereinafter) with a par value of US\$0.00001 each and an issued share capital of 8,224,974,706 Shares. All the issued Shares are currently listed on the Main Board of the Stock Exchange (as defined below) (Stock Code: 1765).
- (B) The Company proposes a Rights Issue of 685,414,558 Rights Shares at the Subscription Price of HK\$0.2 per Rights Share based on one (1) Rights Share for every twelve (12) existing Shares held by the Qualifying Shareholders (as defined below) on the Record Date shall be conducted. The Rights Issue is only available to the Qualifying Shareholders and will not be available to Non-Qualifying Shareholders (as defined below). Subject to the fulfillment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares.
- (C) Mr. Wang Huiwu, Hope Education Investment Limited, Tequ Group (Hong Kong) Company Limited and Maysunshine Holdings Limited have collectively provided irrevocable and unconditional undertakings to the Company (the "**Irrevocable Undertakings**") that
  - i) Mr. Wang Huiwu, Hope Education Investment Limited, Tequ Group (Hong Kong) Company Limited and Maysunshine Holdings Limited will either subscribe for or procure subscriptions of 6,763,548 Rights Shares, 309,796,103 Rights Shares, 3,520,225 Rights Shares, and 7,467,451 Rights Shares, respectively, which represents their full provisional entitlements related to the total of 327,547,327 Shares that are beneficially owned by Mr. Wang Huiwu, Hope Education Investment Limited, Tequ Group (Hong Kong) Company Limited, and Maysunshine Holdings Limited;
  - ii) Mr. Wang Huiwu, Hope Education Investment Limited, Tequ Group (Hong Kong) Company Limited and Maysunshine Holdings Limited agrees not to dispose of, or make arrangements to dispose of, any of the Shares currently

held. These Shares will continue to be beneficially owned by each of them up to and including the Record Date; and

iii) Mr. Wang Huiwu, Hope Education Investment Limited, Tequ Group (Hong Kong) Company Limited and Maysunshine Holdings Limited will submit or ensure the submission of applications for 6,763,548 Rights Shares, 309,796,103 Rights Shares, 3,520,225 Rights Shares, and 7,467,451 Rights Shares, which represent the number of Rights Shares provisionally allotted (on a nil-paid basis) to them under the Rights Issue.

(D) Pursuant to Rule 7.21(1)(b) of the Listing Rules, the Company must make arrangements to dispose of the Unsubscribed Rights Shares by offering the Unsubscribed Rights Shares to independent placees for the benefit of the Shareholders to whom they were offered by way of the rights. There will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 7.21(1)(a) of the Listing Rules.

(E) The Company proposes to issue the Unsubscribed Rights Shares (as defined hereafter) for subscription and the Placing Agent has agreed to procure, as placing agent of the Company, the Placees (as subscribers) (as defined below) to subscribe for the Unsubscribed Rights Shares on a best effort basis on and subject to the terms and conditions of this Agreement.

**NOW IT IS HEREBY AGREED as follows:**

**1. DEFINITIONS**

1.1 In this Agreement (including the Recitals) the following expressions (except where the context otherwise requires) shall have the respective meanings set out below:

“acting in concert”	has the meaning ascribed to it in the Codes on Takeovers and Mergers issued by the SFC
“Affiliate”	in relation to a party, a corporation or any other form of entity directly or indirectly controlling, controlled by or under common control with such party
“Agreement”	this placing agreement (as may be amended or varied from time to time by an agreement in writing duly executed by the parties hereto)
“Announcement”	the announcement issued by the Company as soon as practicable following the execution of this Agreement
“associate”	has the meaning ascribed to it under the Listing Rules
“Board”	the board of directors of the Company

“Business Day”	any day (not being a Saturday, Sunday or public holiday in Hong Kong or any day on which a tropical cyclone warning no. 8 or above or a black rainstorm warning signal is issued in Hong Kong at any time between 9:00 a.m. and 5:00 p.m. on weekdays) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours and the Stock Exchange is open for business of dealing in securities throughout its normal trading hours
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) for the time being in force
“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) for the time being in force
“Completion”	completion of the Placing as provided in Clause 6
“Completion Date”	a date falling within six Business Day following the end of the Placing Period and the conditions set out in Clause 3.1 in this Agreement being fulfilled or such later date as may be agreed between the Company and the Placing Agent in writing
“connected person”	has the meaning as ascribed to it under the Listing Rules
“Director(s)”	the director(s) of the Company
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Third Party(ies)”	third party(ies) who, to the best of the Directors’ knowledge, information and belief, having made all reasonable enquiry, are independent of and not acting in concert or connected with the

	Company and any of its connected persons or any of their respective associates
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholder(s)”	the Overseas Shareholder(s) whom the Directors, based on legal opinions provided by the Company’s legal advisers, consider it necessary or expedient not to offer the Rights Shares to such Shareholders on account either restrictions under the laws of the relevant place or the requirements of a relevant regulatory body or stock exchange in that place
“Overseas Shareholder(s)”	the Shareholder(s) whose name(s) appear on the register of members of the Company on the Record Date and whose address(es) as shown on such register is/are in a place(s) outside Hong Kong
“Placee(s)”	any individual(s), corporate, institutional investor(s) or other investor(s) procured and selected by the Placing Agent to subscribe for any of the Unsubscribed Rights Shares pursuant to the Placing Agent’s obligations hereunder, subject to compliance with Clause 2.3
“Placing”	the offer by way of private placing of the Unsubscribed Rights Shares by or on behalf of the Placing Agent to the Placee(s) on the terms and subject to the conditions set out in this Agreement
“Placing Letter”	the letter in such form to be determined by the Placing Agent to be sent to the proposed Placee(s) whom the Placing Agent has procured to subscribe for any of the Unsubscribed Rights Shares
“Placing Period”	the period from 8 September 2025 up to 15 September 2025, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Unsubscribed Arrangements
“Placing Price”	the placing price of the Unsubscribed Rights Shares shall be at least equal to the Subscription Price and the final price determination will depend on the demand for and the market

	conditions of the Unsubscribed Rights Shares during the placement process
“Qualifying Shareholders”	Shareholder(s), whose name(s) appear(s) on the register of members of the Company as at the close of business on the Record Date, other than the Non-Qualifying Shareholder(s)
“Record Date”	20 August 2025, or such other date as the Company may announce, being the date by reference to which entitlements of the Shareholders to participate in the Rights Issue will be determined
“Rights Issue”	the proposed issue of the Rights Shares on the basis of one (1) Rights Share for every twelve (12) existing Shares held by the Qualifying Shareholders on the Record Date at the Subscription Price on the terms and subject to the conditions set out in the prospectus to be despatched to the Shareholders by the Company containing details of the Rights Issue
“Rights Share(s)”	Shares to be issued and allotted under the proposed Rights Issue based on one (1) Rights Share for every twelve (12) existing Shares in issue on the Record Date, being 685,414,558 existing Shares based on the Company’s issued share capital as at the date of this Agreement
“SFC”	the Securities and Futures Commission of Hong Kong
“Shares”	ordinary shares with par value of US\$0.00001 each in the share capital of the Company and each, a “Share”
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.2 per Rights Share
“Unsubscribed Arrangements”	arrangements to place the Unsubscribed Rights Shares by the Placing Agent on a best effort basis to investors who (or as the case may be, their ultimate beneficial owner(s)) are Independent Third Parties pursuant to Rule 7.21(1)(b) of the Listing Rules
“Unsubscribed Rights Share(s)”	up to a maximum of 464,973,996 Shares to be allotted and issued by the Company (being all the

Rights Shares other than the 327,547,327 Rights Shares that have been undertaken to be subscribed by Mr. Wang Huiwu, Hope Education Investment Limited, Tequ Group (Hong Kong) Company Limited and Maysunshine Holdings Limited pursuant to the Irrevocable Undertakings) pursuant to the terms and conditions of this Agreement which will rank *pari passu* in all respects with the Shares in issue as at the date of allotment of the Unsubscribed Rights Shares and each, a “Unsubscribed Rights Share”, those Rights Shares that are not subscribed by the Qualifying Shareholders and Rights Shares which would otherwise have been allotted to the Non-Qualifying Shareholders (as the case may be)

“US\$” United States Dollar, the lawful currency of the United States of America

“%” per cent.

1.2 Words and expressions defined in the Companies Ordinance shall unless the context otherwise requires have the same meanings in this Agreement.

1.3 In this Agreement, including the Recitals:

- (1) references to recitals and clauses are to recitals and clauses of this Agreement;
- (2) a reference to a statute or statutory provision includes a reference:
  - (a) to that statute or statutory provision as from time to time modified or re-enacted;
  - (b) to any repealed statute or statutory provision which it re-enacts (with or without modification); and
  - (c) to any subordinate legislation made under the relevant statute;
- (3) references to the singular include references to the plural and vice versa;
- (4) references to any gender include references to all genders;
- (5) references to persons include references to bodies corporate, unincorporated associations and partnerships; and
- (6) headings to clauses are for convenience only and do not affect interpretation of this Agreement.

## 2. **APPOINTMENT OF THE PLACING AGENT**

- 2.1 The Company hereby appoints the Placing Agent to the exclusion of all others as its sole placing agent of the Placing, upon and subject to the terms and conditions of this Agreement, and the Placing Agent, relying on the representations, warranties and undertakings on the part of the Company contained herein, agrees to act as the Company's placing agent to procure the Placees to subscribe, at the Placing Price (together with brokerage (if any), such transaction levy as may be payable to the SFC for the Unsubscribed Rights Shares and such trading fee as may be payable to the Stock Exchange for the Unsubscribed Rights Shares to be borne and payable by the Placees) for the Unsubscribed Rights Shares on a best effort basis on and subject to the terms and conditions set out in this Agreement.
- 2.2 The Unsubscribed Rights Shares shall be offered by way of Placing Letter by the Placing Agent to the Placee(s) (other than as agreed between the Placing Agent and the Company). The Placing Agent may in turn, at its own expenses, appoint its sub-placing agent(s) to procure the Placee(s) to subscribe for the Unsubscribed Rights Shares. Subject as specifically provided in this Agreement, any transaction properly and lawfully carried out by the Placing Agent (or its sub-placing agent(s)) pursuant to this Agreement shall constitute a transaction carried out by the Placing Agent (or its sub-agent) at the request of the Company and as its agent and not on account of or for the Placing Agent (or its sub-agent). Save and except for any loss or damage arising out of any fraud, wilful default or gross negligence on the part of the Placing Agent, the Placing Agent shall not be responsible or liable for any loss or damage to any party in connection with the Placing or arising from any such transaction or for any alleged insufficiency of the price at which the Unsubscribed Rights Shares are sold hereunder.
- 2.2 The Placing Agent shall procure not less than six (6) Placees on a best effort basis for the subscription of the Unsubscribed Rights Shares at the Placing Price unless otherwise agreed by the Company.
- 2.3 The Placing Agent will use its reasonable endeavours to ensure that the Placee(s) (and where applicable, their ultimate beneficial owners) to be procured by or on behalf of the Placing Agent shall be third party(ies) independent of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates, and independent of, and not acting in concert with, Hope Education Investment Limited and parties acting in concert with it.
- 2.4 The Placing Agent undertakes to the Company that it will:
- (1) procure the Placee(s) only in the course of communications with them over the telephone and without the despatch of documents until after legally binding commitments (which shall in all cases be conditional on the condition set out in Clause 3.1 of this Agreement to the extent that such condition has not been satisfied) to subscribe for the Unsubscribed Rights Shares have been obtained from each Placee(s) in the course of such communications; and
  - (2) confine all statements it makes during the course of these communications strictly within the limits of the information contained in the Announcement.



- 2.5 The Placing Agent shall require any of its sub-placing agent(s) to or through whom it may effect the Placing or offer or sell any Unsubscribed Rights Shares to comply with this Clause 2.
- 2.6 The Company hereby confirms that the appointment pursuant to this Agreement confers on the Placing Agent in accordance with the provisions hereof all powers, authorities and discretions on its behalf which are necessary for, or reasonably incidental to, the Placing (including the power and authority to delegate its functions hereunder to any other person(s) to act as agent(s) of the Placing Agent), and hereby agrees to ratify and confirm everything which the Placing Agent properly and lawfully does or has done in the exercise of such powers, authorities and discretion in accordance with the terms of this Agreement. The Company hereby further acknowledges that the Placing Agent in performing its obligations and functions under this Agreement is authorised to appoint one or more sub-placing or selling agents to be its delegates in respect of all or any of its relevant rights, duties, powers and discretions in such manner and on such terms as it thinks fit (with or without formality and without prior notice of any such delegation being required to be given to the Company).

### 3. CONDITIONS

- 3.1 Completion is conditional upon fulfilment of the following conditions precedent:
- (a) the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Rights Shares;
  - (b) all necessary consents and approvals to be obtained on the part of each of the Placing Agent and the Company in respect of this Agreement and the transactions contemplated hereunder having been obtained; and
  - (c) this Agreement not having been terminated in accordance with the provisions thereof, including provisions regarding the force majeure events.

None of the above conditions precedent are capable of being waived by the parties to this Agreement.

- 3.2 The Company shall use its best endeavours to procure the satisfaction of the conditions set out in Clause 3.1 on or before 17 September 2025 or such later date as agreed between the Company and the Placing Agent in writing ("**Long Stop Date**"), but if any of the conditions shall not be so satisfied, all rights, obligations and liabilities of the Placing Agent and of the Company hereunder shall cease and determine and none of the parties hereto shall have any claim against the other in relation thereto (save in respect of (i) any antecedent breach of any obligation under this Agreement; and (ii) any liabilities under Clauses 9.2(2), 9.4 and 10).
- 3.3 As soon as reasonably practicable by the day which is the third Business Day before the Long Stop Date, the Placing Agent will use reasonable endeavours to deliver to the Company and the Stock Exchange (and/or the SFC, if requested) details of the Placee(s) procured on a best effort basis to subscribe for the Unsubscribed Rights Shares including, inter alia, their names and addresses and the number of Unsubscribed

Rights Shares which they have respectively agreed to subscribe, and (if requested by the Stock Exchange and/or the SFC) together with acknowledgments signed by each of the Placees confirming, inter alia, that such Placee (and any of such Placee's nominees or beneficial owners) is independent of and not connected with or acting in concert with the Company and any of its connected persons, including the substantial shareholders and directors of the Company, or any of their respective associates.

**4. ANNOUNCEMENT**

- 4.1 The Company shall release the Announcement for publication as soon as practicable after execution of this Agreement.
- 4.2 Subject to any requirements or requests of the Stock Exchange, the SFC or other regulatory authorities and save to the extent as permitted by law, none of the parties hereto shall, directly or indirectly, make any announcement or communication other than the Announcement in relation to this Agreement or any matter ancillary thereto without the prior written consent of the other (such consent not to be unreasonably withheld or delayed).

**5. LISTING**

The Company undertakes to the Placing Agent that it will apply to the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in both nil-paid and fully-paid forms) and the Placing Agent agrees to, or procure its sub-placing agent(s) to, sign any documents or take any action as may be required in connection with such application for the listing of, and the permission to deal in, the Rights Shares (including but not limited to promptly supply to the Stock Exchange and/or the SFC such information as may be requested by the Stock Exchange and/or the SFC).

**6. COMPLETION**

- 6.1 Completion shall take place at 12:00 noon at the principal place of business of the Company in Hong Kong within six Business Days after the fulfillment of the conditions precedent set out in Clause 3 (or such other date and place as the parties hereto may agree in writing).
- 6.2 At Completion:
- (1) the Placing Agent (or its nominees or agents) shall, upon receipt of the Unsubscribed Rights Shares from the Company in the manner as set forth in Clause 6.2(2) below, pay the Company by way of a cashier order or telegraphic transfer or electronic transfer or bank transfer to the bank account of the Company (and such bank account shall be notified by the Company in writing to the Placing Agent at least two Business Days prior to the Completion Date) an aggregate amount equivalent to the aggregate Placing Price for all the Unsubscribed Rights Shares successfully placed by the Placing Agent less all fees and expenses payable by the Company under Clause 9;

- (2) the Company shall allot and issue, and credited as fully paid, the Unsubscribed Rights Shares to the Placee(s) or their respective nominee(s) in accordance with the details delivered by the Placing Agent to the Company pursuant to Clause 3.3 and shall promptly thereafter register such Placee(s) or their respective nominee(s) as holders of the Unsubscribed Rights Shares; and
- (3) the Company shall deposit the Unsubscribed Rights Shares to the designated stock account of the Placing Agent or deliver or cause to be delivered to the Placing Agent the share certificates in respect of the Unsubscribed Rights Shares placed by it (each in a form complying with the Listing Rules) in favour of the persons so registered pursuant to Clause 6.2(2) and in accordance with their respective entitlements thereto or, where the Placing Agent has designated an investor participant or CCASS participant stock account for deposit of the Unsubscribed Rights Shares, evidence that such documents and instructions required to effect the crediting of such Unsubscribed Rights Shares in favour of the persons so registered have been signed or given, as the case may be.

## **7. REPRESENTATIONS AND WARRANTIES OF THE COMPANY**

### **7.1 The Company represents and warrants to the Placing Agent that:**

- (1) each member of the Group (i) has been duly incorporated and is validly existing under the laws of the jurisdiction of its place of incorporation and establishment, and (ii) has the requisite power, right and authority to own, use and lease its assets and to conduct its business and is duly qualified to transact business and to own, use or lease its property in each jurisdiction in which the conduct of its business or its ownership, use or leasing of property requires such qualification, and no order has been made, petition filed or resolution passed for its winding up, no scheme of arrangement has been proposed by it with its creditors or shareholders and no notice of appointment of a liquidator, receiver, administrative receiver or administrator has been served on it;
- (2) the entire existing issued share capital of the Company is listed and will continue to be listed on the Main Board of the Stock Exchange at Completion and there is no circumstance whereby such listing will be suspended (except temporary trading halt), cancelled or revoked;
- (3) subject to the fulfilment of the conditions set out in Clause 3.1, the Company has full power and authority to issue the Unsubscribed Rights Shares, and all authorisations, approvals, consents and licences required by it have been obtained and are in full force and effect, in each case, to permit the entry by the Company into this Agreement and the due performance by the Company of its obligations hereunder and to permit the Placing to be undertaken in the manner set out herein, and this Agreement will, when executed, constitute binding obligations on the Company in accordance with its terms and conditions;

- (4) all statements of fact (other than those relating to the Placing Agent) contained in the Recitals of this Agreement and the Announcement are true, accurate and not misleading in all or any material respects;
- (5) the Unsubscribed Rights Shares, when issued and fully paid up, will rank *pari passu* in all respects with the existing Shares in issue as at the date of allotment and issue of the Unsubscribed Rights Shares and the Unsubscribed Rights Shares, when issued, will be free from all liens, charges, pledges, encumbrances, claims, options and other third party rights (including but not limited to rights of pre-emption and rights of first refusal) of any nature whatsoever and will be issued and allotted together with all rights attaching thereto as at the date of allotment and issue of the Unsubscribed Rights Shares;
- (6) to the best knowledge of the directors of the Company, none of the Company, its subsidiaries and directors are engaged in or the subject of any prosecution, material litigation, arbitration or governmental proceeding or investigation; to the best knowledge of the directors of the Company, no such prosecution, litigation, arbitration, proceeding or investigation is threatened or pending, nor are there any circumstances which may give rise to any such litigation, arbitration, proceeding or investigation, which will have an adverse impact on the Group taken as a whole;
- (7) with respect to all announcements and circulars issued by the Company to the Stock Exchange and/or the shareholders of the Company, all statements of fact contained therein were true, correct, accurate and not misleading in any material respects;
- (8) save for the matters set out in the Announcement and the previous announcements and circulars published prior to the date of this Agreement, the Company is not in possession of any non-public information relating to the Company, any other member of the Group or their respective businesses the release of which could materially affect the trading price of the Shares and there is not in existence any material or information relating to the Company which will be required to be disclosed by the Company under the Listing Rules. Without prejudice to the generality of the foregoing, there is no material information (including, without limitation, any information regarding any material adverse change or prospective material adverse change in the condition of, or any actual, pending or threatened litigation, arbitration or similar proceeding involving, the Group or any of its directors) that is not disclosed in the announcements and circulars of the Company released through the Stock Exchange (the "**Company Information**") which information is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Group; the Company Information does not include any untrue statement of a material fact or omit to state any material fact necessary in order to make the statements therein not misleading;
- (9) to the best knowledge of the directors of the Company, the operations of the Group are and have been conducted at all times in compliance with all applicable laws, rules and regulations in each jurisdiction in which any member

of the Group conducts business and no action, suit or proceeding involving any member of the Group with respect to any breach or non-compliance with any such laws, rules and regulations is pending, or to the best knowledge of the Company, threatened; and

- (10) the performance and compliance by the Company with all of the provisions of this Agreement, as well as the consummation of the transactions herein contemplated will not conflict with or result in a breach or violation of, or result in any third party consent being required under, any of the terms or provisions of their constitutional documents or any indenture, mortgage, deed of trust, loan agreement or other agreement or instrument, decree, regulation or law to or by which any member of the Group is a party or to which any of the property or assets of any member of the Group is subject, or any statute or any order, rule or regulation, including, without limitation, to the extent applicable the Listing Rules or any judgment, decree or order of any court or governmental agency or body having jurisdiction over any member of the Group or the property or assets of any member of the Group.

7.2 All the representations, warranties and undertakings set out in Clause 7.1 are given by the Company as at the date hereof and shall be deemed to be repeated by the Company on the Completion Date as if given or made on such date, with reference in each case to the facts and circumstances then subsisting. The Company undertakes that up to and until Completion to promptly notify the Placing Agent of any matter or event coming to its attention prior to the Completion Date which would or would be likely to render or have rendered any of the representations, warranties and undertakings made by it under this Agreement untrue, inaccurate or misleading in any material respect.

7.3 The Company acknowledges and agrees that in connection with the offering of the Unsubscribed Rights Shares: (i) the Placing Agent has acted at arm's length and owe no fiduciary duties to the Company or any other person, (ii) the Placing Agent owes the Company only those duties and obligations set forth in this Agreement, and (iii) the Placing Agent may have interests that differ from those of the Company.

## 8. **INDEMNITY**

8.1 The Company agrees and undertakes to indemnify the Placing Agent, its Affiliates, person(s) lawfully appointed as sub-placing agent(s) pursuant to clause 2.1 and any of their respective officers, directors, employees, agents and authorised representatives which shall have been involved in effecting the Placing (together, the “**Indemnified Persons**” and each an “**Indemnified Person**”), against all or any losses, costs, expenses (including reasonable and proper legal fees), fees, claims, actions, liabilities, demands, proceedings or judgments (including, but not limited to, all such losses, costs, charges or expenses suffered or incurred or which may suffer or incur in disputing or defending any proceedings and/or in establishing its rights to be indemnified pursuant to this Clause 8 and/or in seeking advice in relation to any proceedings) brought or established against the Indemnified Persons by any Placee or by any governmental agency, regulatory body or other person which, in any such case, arises out of or in connection with any breach of any of the terms, undertakings, warranties and representations contained in this Agreement by the Company except

for the Placing Agent's gross negligence, breach of this Agreement, fraud, bad faith or wilful default under this Agreement.

8.2 No claim shall be made against any Indemnified Person by the Company to recover any damage, cost, charge or expense which the Company may suffer or incur by reason of or arising from the carrying out by the Placing Agent of the work to be done by it pursuant hereto or the performance of its obligations hereunder or otherwise in connection with the Placing except for any loss or damage arising out of the Placing Agent's gross negligence, breach of this Agreement, fraud, bad faith or wilful default under this Agreement.

8.3 The indemnities contained in Clauses 8.1 and 8.2 shall remain in full force and effect notwithstanding completion of the Placing in accordance with the terms hereof and shall extend to include all costs, charges and expenses which the Company or the Placing Agent and/or any of their respective officers, directors, employees, authorized representatives, servants or agents may reasonably incur or pay in disputing, settling or compromising any matter to which the indemnity might relate and in establishing the right to indemnification pursuant to this Clause in respect of any matter.

## **9. PLACING COMMISSION**

9.1 In consideration of the services of the Placing Agent in relation to the Placing and provided that Completion occurs in accordance with Clause 6, the Company shall pay to the Placing Agent a commission of 0.5% of the amount which is equal to the Placing Price multiplied by the total number of the Unsubscribed Rights Shares which are successfully placed by the Placing Agent; or (ii) a fixed fee of HK\$50,000, whichever is higher, which the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company at Completion pursuant to Clause 6.2(1).

9.2 In addition to the placing commission referred to in Clause 9.1:

- (1) other than brokerage (if any), such transaction levy as may be payable to the SFC for the Unsubscribed Rights Shares and such trading fee as may be payable to the Stock Exchange for the Unsubscribed Rights Shares which shall be borne and payable by the Placees as specified in Clauses 2.1 and 9.3(2), the Company shall pay all fees payable to the Stock Exchange and the SFC arising from the creation and issuance of the Unsubscribed Rights Shares in accordance with the terms of this Agreement, and all charges, fees and expenses of the Company's share registrar including (without limitation) their fees and expenses in allotting and issuing the Unsubscribed Rights Shares and the issuance of definitive share certificates therefor; and
- (2) the Company shall bear all out-of-pocket expenses (including but not limited to fees charged in respect of CCASS transactions and the legal fees) reasonably and properly incurred by the Placing Agent in relation to the Placing (subject to the provision of official invoice), which, if ascertained at Completion and subject to the approval by the Company, the Placing Agent is hereby authorised to deduct from the payment to be made to the Company pursuant to this Agreement.

9.3 Without prejudice to the generality of Clause 9.2(1), the Company shall be responsible to pay all reasonable costs and expenses (including legal expenses) incurred by it in connection with:

- (1) the preparation and release of the Announcement and the negotiation, preparation and completion of this Agreement; and
- (2) the issue of the Unsubscribed Rights Shares (excluding brokerage (if any), such transaction levy as may be payable to the SFC for the Unsubscribed Rights Shares and such trading fee as may be payable to the Stock Exchange for the Unsubscribed Rights Shares, which shall be borne and payable by the Placees as specified in Clause 2.1).

9.4 Payment of the amounts referred to in Clause 9.2(2) to the extent they have been reasonably and properly incurred, shall be made by the Company to the Placing Agent whether or not Completion takes place.

9.5 The Company hereby acknowledges that, in addition to the commissions, costs, charges and expenses referred to in this Clause, the Placing Agent shall be entitled to keep for its own account any brokerage fee or commission that it may receive from the Placees.

## **10. UNDERTAKINGS BY THE PLACING AGENT**

10.1 The Placing Agent represents, warrants and undertakes to the Company that:

- (1) it has full power to enter into and perform its obligations under this Agreement and this Agreement will, when executed, constitute binding obligations on the Placing Agent in accordance with its terms and conditions;
- (2) in each jurisdiction in which the Placing Agent solicits subscription for the Unsubscribed Rights Shares, the Placing Agent will do so in accordance with all relevant laws or regulations in force in such jurisdiction. The Unsubscribed Rights Shares shall not be offered to or placed in circumstances which would constitute an offer to the public in Hong Kong within the meanings of the Companies (WUMP) Ordinance or in any other place or in any manner in which the securities laws or regulations of any place may be infringed;
- (3) the Placing Agent will use its reasonable endeavours to ensure that the Placee(s) and their respective ultimate beneficial owners will be third party(ies) independent of, and not connected with or acting in concert with, the Company, its connected persons, including the substantial shareholders and directors of the Company, and any of their respective associates;
- (4) the Placing Agent will make available and promptly supply, or use its reasonable endeavours to procure the relevant Placee(s) to make available and promptly supply, to the Stock Exchange and the SFC or any other regulatory authority all information in relation to the Placee(s) which may be

required by the Stock Exchange, the SFC and/or any other regulatory authority;

- (5) the Placing Agent will ensure the fulfillment and compliance of all applicable rules and regulations of the Stock Exchange in relation to its role as placing agent for the Placing, and, if required, will issue appropriate written confirmation of such fulfillment and compliance to the Stock Exchange, the SFC and/or any other regulatory authority;
- (6) the Placing Agent will use its reasonable endeavours to ensure that none of the Placees to be procured by the Placing Agent or any of their respective associates will, immediately upon Completion, become a substantial shareholder (within the meaning of the Listing Rules) of the Company;
- (7) if the Placing Agent itself shall subscribe any of the Unsubscribed Rights Shares unsubscribed by the Placees, the Placing Agent itself or any of its associates will not, immediately upon Completion, become a substantial shareholder (within the meaning of the Listing Rules) of the Company, but for the avoidance of doubt the Placing Agent is not obliged to subscribe any of the Unsubscribed Rights Shares unsubscribed by the Placees;
- (8) the Placing Agent and its ultimate beneficial owners are not connected with the Company and its connected persons or any of their respective associates; and
- (9) the Placing Agent is duly incorporated in Hong Kong and a licensed corporation (CE No.: AFP038) to carry out Type 1 (dealing in securities) and Type 4 (advising on securities), Type 9 (asset management) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).

## **11. TERMINATION**

11.1 If any of the following events occur at any time prior to 6:00 p.m. on the Long Stop Date, the Placing Agent may (after such consultation with the Company and/or its advisers as the circumstances shall admit or be necessary), by giving a written notice to the Company, at any time prior to the Completion Date provided that such notice is received by the Company prior to 6:00 p.m. on the Long Stop Date, terminate this Agreement without liability to the other parties and, subject to clauses in this Agreement which survives termination, this Agreement shall thereupon cease to have effect and none of the parties to this Agreement shall have any rights or claims by reason thereof save for any rights or obligations which may accrue under this Agreement prior to such termination:

- (1) in the reasonable opinion of the Placing Agent there shall have been since the date of this Agreement such a change in national or international financial, political or economic conditions or taxation or exchange controls as would be likely to prejudice materially the consummation of the Placing; or



- (2) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any matter whatsoever which may adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (3) any matter arises on or after the date of this Agreement and prior to the Completion Date which if it had occurred or arisen before the date of this Agreement would have rendered any of such representations and warranties untrue or incorrect in any material respect or there has been a material breach by the Company of any other provision of this Agreement; or
- (4) any moratorium, suspension (except temporary trading halt) or restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances; or
- (5) there is any adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing.

11.2 Upon termination of this Agreement pursuant to this Clause 11, all rights, obligations and liabilities of the parties hereto hereunder shall cease and determine and no party hereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with this Agreement save in respect of (i) any antecedent breach of any obligation under this Agreement; and (ii) any liabilities under Clauses 9.2(2), 9.4 and 10 under this Agreement.

## **12. GENERAL PROVISIONS RELATING TO THIS AGREEMENT**

- 12.1 Any date or period in this Agreement may be changed by written agreement of the parties hereto but as regards any date or period (whether or not amended or changed as aforesaid) time shall be of the essence of this Agreement.
- 12.2 Each of the parties hereto undertakes to the other to execute all such documents and to do or procure to be done all such other acts and things as may be necessary to give the other party the full benefit of this Agreement.
- 12.3 This Agreement shall be binding on and enure for the benefit of the successors of the parties but assignment may only be made after prior written consent of the other party has been given.
- 12.4 Any right or remedy conferred on any party for breach of this Agreement (including the breach of any representations and warranties) shall be in addition and without prejudice to all other rights and remedies available to it in respect of that breach and the exercise of or failure to exercise any right or remedy in respect of such breach shall not, save as provided herein, constitute a waiver by such party of any other right or remedy it may have in respect of that breach.
- 12.5 Any provision of this Agreement which is capable of being performed after Completion but which has not been performed at or before Completion shall remain in full force and effect notwithstanding Completion.

- 12.6 This Agreement constitutes the entire agreement between the parties hereto with respect to its subject matter (no party having relied on any representation or warranty made by the other party with respect thereto which is not contained in this Agreement) and this Agreement supersedes all and any previous agreements, arrangements or understandings between the parties hereto relating to the matters referred to in this Agreement and all such previous agreements, arrangements or understandings (if any) shall cease and determine with effect from the date hereof.
- 12.7 No variation of this Agreement shall be effective unless made in writing and signed by each of the parties hereto.
- 12.8 If at any time any provision of this Agreement is or becomes illegal, void or unenforceable in any respect, the remaining provisions hereof shall in no way be affected or impaired thereby.
- 12.9 This Agreement may be executed by the parties hereto in any number of counterparts and on separate counterparts, each of which when so executed shall be deemed an original but all of which shall constitute one and the same instrument and be binding on all parties. Any party executing this Agreement on a facsimile copy counterpart shall deliver the original of the counterpart to the other party within two days after the same was sent by facsimile.

### 13. **NOTICES**

- 13.1 All notices delivered hereunder shall be in writing and shall be delivered by hand or despatched by ordinary post or by facsimile transmission at the address or fax number of the relevant party to this Agreement set out below (or to such other address or fax number as may be notified by the relevant party to the other party from time to time for the purpose of giving notice under this Agreement):

#### To the Company

Address : 40th Floor, Dah Sing Financial Centre, No. 248  
Queen's Road East, Wanchai, Hong Kong  
Hong Kong

Contact Number : (86 028) 6969 4278

Attention : Board of Directors

#### To the Placing Agent

Address : Room 2204, 22/F, New World Tower 1, 16-18 Queen's  
Road Central, Central, Hong Kong

Fax Number : (852) 2180 9292

Attention : Directors

- 13.2 Any such notice shall take effect in the case of delivery by hand upon delivery, in the case of despatch by ordinary post 72 hours after posting, and in the case of facsimile, on production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number

of the recipient specified in Clause 13.1. Nothing herein shall affect the right of either party to this Agreement to serve notice in any other manner permitted by law.

**14. GOVERNING LAW, JURISDICTION AND SERVICE OF PROCESS**

- 14.1 This Agreement shall be governed by, and construed in accordance with, the laws of Hong Kong.
- 14.2 Each party hereto irrevocably agrees that the courts of Hong Kong (“Courts”) shall have non-exclusive jurisdiction in relation to any claim, dispute or difference concerning this Agreement and any matter arising therefrom.
- 14.3 Each party hereto irrevocably waives any right that it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have jurisdiction.
- 14.4 Each party hereto agrees that without preventing any other mode of service, any document in an action (including, but not limited to, any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of notices under Clause 13 and each party hereto undertakes to maintain such an address at all times in Hong Kong and to notify the other party in advance of any change from time to time of the details of such address in accordance with the manner prescribed for service of notice under Clause 13.
- 14.5 Notwithstanding any provision contained herein to the contrary, a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any of the terms of this Agreement, save that any Indemnified Person who is not a party to this Agreement may rely on and enforce any such term which confers or purports to confer rights or benefits on any such Indemnified Person. No consent of third party is required for the amendment to (including the waiver or compromise of any obligation), rescission of or termination of this Agreement at any time.

IN WITNESS the hands of the duly authorised representatives of the parties hereto  
the day and year first above written.

**THE COMPANY**

SIGNED by

for and on behalf of

**XJ INTERNATIONAL HOLDINGS CO., LTD.**

in the presence of:

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13. 2018

**THE PLACING AGENT**

**SIGNED** by

for and on behalf of

**ORIENT SECURITIES LIMITED**

in the presence of:

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A handwritten signature in black ink is written over a blue circular stamp. The stamp contains the text "ORIENT SECURITIES LIMITED" around the perimeter and "東方證券有限公司" in the center. The signature is a cursive, stylized script.