

DATED 14 SEPTEMBER 2023

DL GLOBAL HOLDINGS LIMITED (1)
("Vendor")

- and -

DL ASSET MANAGEMENT LIMITED (2)
("Purchaser")

SALE & PURCHASE AGREEMENT

related to the sale and purchase of
approximately 55% of the issued share capital of
DL Family Office (HK) Limited (德林家族辦公室 (香港) 有限公司)

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THIS AGREEMENT is made on the 14th day of September 2023 (“**Agreement**”).

BETWEEN:

- (1) **DL GLOBAL HOLDINGS LIMITED**, a company incorporated in the British Virgin Islands with limited liability and having its registered address at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the “**Vendor**”); and
- (2) **DL ASSET MANAGEMENT LIMITED**, a company incorporated in the British Virgin Islands with limited liability and having its registered address at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the “**Purchaser**”);

(the Vendor and the Purchaser are referred to hereinafter as the “**Parties**” and each a “**Party**”)

WHEREAS:

- (A) As at the date of this Agreement, the entire issued share capital of the Target Company is HK\$18,212,092, out of which a total of 18,212,092 shares are issued (divided into 18,212,092 ordinary shares of HK\$1.00 each). Further particulars of which are set out in Schedule 1 hereto.
- (B) Furthermore, as at the date of this Agreement, DL Family is a licensed corporation registered with the SFC (as defined hereinbelow) pursuant to the SFO (as defined hereinbelow), pursuant to which DL Family is permitted to carry out Type 4 regulated activity (advising on securities) and Type 9 regulated activity (asset management) (Central Entity No.: BFJ987).
- (C) As at the date of this Agreement, the Purchaser is a direct wholly-owned subsidiary of DL Holdings Group Limited, a company incorporated under the laws of the Cayman Islands. All the issued shares of the Listed Company are listed and traded on the main board of the Stock Exchange (as defined hereinbelow) with stock code 1709.
- (D) As at the date of this Agreement, 10,016,651 shares in the Target Company, being approximately 55% of the entire issued share capital of the Target Company is legally and beneficially owned by the Vendor. 8,195,441 shares in the Target Company, being approximately 45% of the entire issued share capital of the Target Company is legally and beneficially owned by the Purchaser.
- (E) The Purchaser has conditionally agreed to purchase from the Vendor and the Vendor has conditionally agreed to sell to the Purchaser the Sale Shares, representing approximately 55% of the entire issued share capital of the Target Company subject to the terms and conditions contained herein.

IT IS HEREBY AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions: In this Agreement, including its recitals and schedules, unless the context otherwise requires:

- “Accounting Standards”** means Hong Kong Financial Reporting Standards (HKFRS) or accounting standards which are generally accepted in Hong Kong, and in the case of a company which is not incorporated in Hong Kong, generally accepted accounting standards which are consistently applied in such jurisdiction of its incorporation or approved by the relevant regulatory or other accounting bodies in the relevant jurisdiction, as applicable.
- “Accounts”** means the Audited Accounts and the Management Accounts;
- “Accounts Date”** means 31 December 2022 (or as the case may be, 30 June 2023 with respect to “Accounts Date of the Management Account”);
- “Audited Accounts”** means the audited financial statements of the Target Company for the year ended on the Accounts Date, a copy of which has been provided to the Purchaser prior to the signing of this Agreement;
- “business day”** a day (excluding Saturday, Sunday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is issued or remains issued between 9:00 a.m. and 12:00 noon and is not cancelled at or before 12:00 noon or on which a “black” rainstorm warning is in effect or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business;
- “Claim”** means a claim, notice, demand, action, proceeding, litigation, investigation, judgment, damage, loss, cost, expense or liability however arising, whether present, unascertained, immediate, future or contingent, whether based in contract, tort or statute and whether involving a third party or a party to this Agreement;
- “Completion”** means completion of the sale and purchase of the Sale Shares pursuant to the terms and subject to the conditions of this Agreement;
- “Completion Date”** means the business day agreed by the Parties to perform Completion which shall be on the fifth (5th) business days immediately upon the satisfaction (or waiver) of all the

	Conditions Precedent (or such other date as agreed by the Parties in writing);
“Consideration”	means the purchase price for the Sale Shares set out in Clause 4;
“Conditions Precedent”	means the conditions set out in Clause 2.1;
“Due Diligence Review”	as defined in Clause 5.1;
“DL Family” / “Target Company”	DL Family Office (HK) Limited (德林家族辦公室(香港)有限公司), a company incorporated under the laws of Hong Kong, with company number 1957049, whose registered office is at Unit 2802, 28/F. Vertical Square, 28 Heung Yip Road, Wong Chuk Hang, Hong Kong, particulars of which are set out in Schedule 1 hereto;
“DL Family License”	such license granting the Target Company permission to carry out Type 4 regulated activity (advising on securities) and Type 9 regulated activity (asset management) (Central Entity No.: BFJ987) under the SFO
“Encumbrance(s)”	means any interest or equity of any person (including any right to acquire, option or right of pre-emption), voting arrangement, mortgage, charge, pledge, bill of sale, lien, claims, deposit, hypothecation, assignment or any other encumbrance, priority or security interest or arrangement or interest under any contract or trust or any other third party interest of whatsoever nature over or in the relevant shares, assets or property;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong;
“Listed Company”	means DL Holdings Group Limited, a company incorporated under the laws of the Cayman Islands, whose issued shares in its entirety are listed and traded on the main board of the Stock Exchange with stock code 1709;
“Listing Rules”	means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;
“Long Stop Date”	means 31 December 2023 or any other later date as agreed between the Parties in writing;
“Management Accounts”	means the unaudited financial statements of the Target Company as at 30 June 2023, a copy of which has been provided to the Purchaser prior to the signing of this Agreement;

“Material Adverse Change”	any change (or effect) which has a material and adverse effect on the assets, financial position, business or prospects or results of operations, of the Target Company as a whole;
“Parties” or “parties”	means the named parties to this Agreement and their respective successors and permitted assigns;
“Promissory Note”	such promissory note to be issued by the Listed Company as part of the consideration for the Sale Shares;
“SFC”	means Securities and Futures Commission of Hong Kong;
“SFO”	means Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong);
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Sale Shares”	means 10,016,651 shares in the capital of the Target Company, representing approximately 55% of the entire issued share capital of the Target Company;
“taxation”	means all forms of taxation, estate duties, deductions, withholdings, duties, imposts, levies, fees, charges, social security contributions and rates imposed, levied, collected, withheld or assessed by any local, municipal, regional, urban, governmental, state, federal or other body in Hong Kong, Bermuda, the British Virgin Islands, or elsewhere and any interest, additional taxation, penalty, surcharge or fine in connection therewith;
“Transaction Documents”	as defined in Clause 8;
“Warranties”	means the representations, warranties and undertakings given by the Vendor contained in this Agreement including but not limited to the representations, warranties and undertakings contained in Clause 8, Clause 10 and Schedule 2, “Warranty” means any of them.

1.2 Interpretation: In this Agreement, including its recitals and schedules, unless otherwise defined or unless the context or subject matter otherwise requires:

- (A) any reference to Recitals, Clauses or the Schedule(s) is a reference to the recitals and clauses of, and the schedule(s) to, this Agreement;
- (B) any reference to parties to this Agreement shall include their respective permitted assignees and successors;
- (C) the Recitals and Schedules form part of this Agreement and shall be construed and shall have the same full force and effect as if expressly set out in the body of this Agreement;
- (D) any reference to a statutory provision shall include a reference to that provision as amended or re-enacted from time to time;

- (E) headings are inserted for convenience only and shall be ignored in construing this Agreement;
- (F) the singular includes the plural and vice versa, words importing gender or the neuter include both genders and the neuter;
- (G) any reference to dates or times is a reference to a date or time in Hong Kong;
- (H) any reference to persons shall include individuals, bodies corporate (wherever incorporated), unincorporated associations, all forms of governmental body or authority, or any association or partnership (whether or not having a separate legal personality) of two or more of the foregoing;
- (I) any reference to this Agreement or any other agreement or document shall be construed as a reference to this Agreement or, as the case may be, such other agreement or document as it may have been, or may be, amended, varied, novated or supplemented;
- (J) any reference to a document being “in the agreed terms” means that documents in the terms agreed between the parties and, for the purpose of identification, signed by them or on their behalf, or such document in such other terms as may be agreed in writing by the parties from time to time in substitution for or in variation of such document;
- (K) the rule known as the *ejusdem generis* rule shall not apply. Accordingly general words introduced or followed by the word “other” or “including” or “in particular” shall not be given a restrictive meaning because they are followed by particular examples intended to fall within the meaning of the general words;
- (L) “including” or “includes” shall mean including or includes without limitation; and
- (M) all warranties, representations, indemnities, covenants, agreements and obligations given or entered into by more than one person are given or entered into jointly and severally.

2. **CONDITIONS PRECEDENT**

2.1 The obligations of the Parties to complete the sale and purchase of the Sale Shares under this Agreement are conditional upon the following conditions being satisfied (or waived in accordance with Clause 2.2) on or before the Long Stop Date:

- (A) the directors of the Listed Company passing the ordinary resolutions approving this Agreement and the transactions contemplated hereunder (including but not limited to the issue of the Promissory Note) in accordance with the requirements of the Listing Rules, the constitutional documents of the Listed Company and all applicable laws and regulations in Hong Kong and the Cayman Islands;
- (B) the passing of all resolution(s) by the shareholders of the Listed Company (other than those who are required to abstain from voting under the Listing Rules) at a general meeting of the Company approving the entering into this Agreement by the Company and the performance of the transactions contemplated hereunder in accordance with the relevant provisions in the Listing Rules, the constitutional documents of the Listed Company and all applicable laws and regulations in Hong Kong and the Cayman Islands;

- (C) the Purchaser having completed the due diligence on the Target Company's assets, legal conditions and conditions regarding its businesses and operations and being and remaining satisfied with the same in all material respects;
 - (D) the DL Family License being valid, enforceable and operative as at the date of this Agreement, remains valid, enforceable and operative on Completion Date, and there being no statutes, statutory provisions, regulations, instruments, subordinate legislation, rules, orders, judgments, decisions, conditions and/or notices whatsoever proposed, granted or enforced by the SFC or any other applicable authority which prohibit, restrict, revoke or threaten to prohibit, restrict, revoke, the DL Family License entitlement by the Target Company on Completion Date;
 - (E) the representations, warranties and undertaking provided each of the Parties under this Agreement being true, accurate, valid and not misleading on the execution of this Agreement in all material respects and remain true, accurate, valid and not misleading in all material respects as at the Completion Date;
 - (F) no Material Adverse Change having occurred up to the Completion Date; and
 - (G) all authorisations, approvals, consents, waivers and permits which are necessary or relevant to give effect to this Agreement and the transactions contemplated hereunder having been complied, granted, received or obtained by the Purchaser and the Vendor and remain in full force and effect and not revoked up to the Completion Date.
- 2.2 At any time before Completion, save for the Conditions Precedent set out under Clause 2.1(C) and (E) above by written notice, all other Conditions Precedent in Clause 2.1 are incapable of being waived.
- 2.3 Parties shall use all reasonable endeavours (so far as it lies within its powers) to procure the fulfilment of the Conditions Precedent on or prior to the Long Stop Date and in particular (without limiting the generality of the foregoing) shall furnish such information and documents and provide necessary assistance as may be reasonably required by the Purchaser in respect of the Conditions Precedent.
- 2.4 If the Conditions Precedent are not fulfilled (or waived, as the case may be) in accordance with the provisions of Clauses 2.1, 2.2 and 2.3, this Agreement shall (unless otherwise agreed in writing by the Parties) be terminated and all the obligations and liabilities of the Parties hereunder shall cease and determine and none of the Parties will have any claim against the other in respect of any matter or thing arising out of or in connection with this Agreement save for the rights of the Parties hereto to claim any rights or remedies which shall have accrued prior thereto.
- 3. SALE AND PURCHASE OF THE SALE SHARES**
- 3.1 On and subject to the terms of this Agreement, the Vendor shall sell the Sale Shares as beneficial owner and the Purchaser shall purchase all the Sale Shares on and with effect from the Completion Date, free from all charges, liens, equities, encumbrances, claims or restrictions of any nature whatsoever and together with all rights attaching or accruing to the Sale Shares and all dividends and distributions declared, made or paid on the Sale Shares or in respect of them upon Completion.

4. **CONSIDERATION**

4.1 The Consideration payable by the Purchaser to the Vendor for the Sale Shares shall be HK\$220,000,000.00 which shall be paid or settled which shall be payable by the Purchaser to the Vendor in the following manner:

- (A) a refundable deposit (the “**Deposit**”) of HK\$22,000,000.00 shall be paid in cash by the Purchaser by wire transfer to the bank account designated by the Vendor within five (5) business days from the date hereof; and
- (B) subject to Clause 2 and Clause 5, the remaining balance of HK\$198,000,000.00 shall be, upon Completion, paid and settled by having:
 - (I) part of the remaining total balance of the Consideration in the sum of HK\$48,000,000.00 paid by the Purchaser in cash to the Vendor’s designated bank account by wire transfer; and
 - (II) the remainder, in the sum of HK\$150,000,000.00, settled by the Listed Company’s issuance of Promissory Note by to the Vendor.

5. **DUE DILIGENCE**

5.1 The Purchaser shall be entitled (but not obliged) to carry out a due diligence review and investigation on the Target Company including without limitation to its assets, liabilities, contracts, commitments, business, financial, legal and taxation aspects (“**Due Diligence Review**”).

5.2 The Vendor shall provide, and procure the Target Company to provide all assistance to enable the Purchaser and/or the representatives and the professionals nominated by the Purchaser to complete the Due Diligence Review on or before the Long Stop Date.

6. **COMPLETION**

6.1 Subject to all the Conditions Precedent being fulfilled (or waived, as the case may be), Completion shall take place at or before 2:30 p.m. on the Completion Date at the office of the Purchaser or such other place as may be agreed in writing by the Parties when all (but not part) of the following businesses shall be transacted simultaneously:-

- (A) the Vendor shall deliver or cause to be delivered to the Purchaser originals of the following (unless the context specified otherwise):
 - (I) the Audited Accounts (i.e. the audited financial statements for the year ended 31 December 2022) and the Management Accounts (i.e. the unaudited financial statements for the period from 1 January 2023 to 30 June 2023) of the Target Company;
 - (II) the unaudited balance sheet of DL Family as at a date which is not more than 3 months before the Completion Date (the “**DL Family Management Accounts Date**”) and the unaudited profit and loss account of DL Family for the period from the day after the end date of the last audited financial statements of DL Family to the DL Family Management Accounts Date signed by a current director of DL Family (the “**DL Family Management Accounts**”);
 - (III) instrument(s) of transfer in favour of the Purchaser and/or its nominee(s) in respect of the Sale Shares duly executed by the Vendor to enable the

- Purchaser and/or its nominee(s) to be registered as the holder of the same;
- (IV) share certificate(s) in respect of the Sale Shares in the name of the Purchaser (or such other nominee(s) as it may direct); and
 - (V) certified true copy of the written resolutions of the board of directors and the shareholders of Target Company approving those matters as set out in Sub-Clause (B) below.
- (B) the Vendor shall cause a meeting of the board of directors of the Target Company to be held at which the following resolutions shall be passed:
- (a) approve and register the transfer of the Sale Shares to the Purchaser and/or its nominee, cancel the existing share certificate(s) issued by Target Company in favour of the Vendor and issue share certificate in respect of the Sale Shares to the Purchaser and/or its nominee; and
 - (b) such other matters shall be dealt with and resolved upon as shall be reasonably required by the Purchaser for perfecting the transfer of the Sale Shares and for giving the Purchaser the full benefit of this Agreement.
- (C) Subject to all the Conditions Precedent being fulfilled (or waived by the Purchaser) and against compliance with the Vendor's obligations under Sub-Clauses (A) and (B) above, the Purchaser shall make payment of the full amount of the Consideration by remittance to the bank account designated by the Vendor or in other manner as agreed by the Parties.
- 6.2 The transactions described in Clause 6.1 shall take place at the same time so that in default of performance of any such transactions or any part thereof by either the Vendor or the Purchaser, the other of them shall not be obliged to complete the sale and purchase as aforesaid (without prejudice to any other rights and remedies in respect of such default).
- 6.3 Each of the Vendor and the Purchaser shall not be obliged to complete this Agreement hereunder unless the other of them complies fully with the provisions of Clause 6.1 above. Without prejudice to any other remedies which may be available to the Vendor or the Purchaser hereunder, if any provision of Clause 6.1 above is not complied with by the Purchaser or the Vendor (the one not so complying is hereinafter called the "**Defaulting Party**") on the Completion Date, the other of them (the "**Non-Defaulting Party**") may:-
- (A) defer Completion to a date falling not more than thirty (30) Business Days after the original Completion Date (so that the provisions of this Clause 6 (except this Clause 6.3) shall apply to the deferred Completion) provided that, time shall be of the essence as regards the deferred Completion and if Completion is not effected on such deferred date, the Non-Defaulting Party may rescind this Agreement and claim damages from the Defaulting Party; or
 - (B) proceed to Completion so far as practicable (but without prejudice to the Non-Defaulting Party's rights hereunder insofar as the Defaulting Party shall not have complied with its obligations hereunder); or

- (C) rescind this Agreement by notice in writing without liability to the Defaulting Party whereupon and from such date the provisions of this Agreement (other than Clauses 1, 9, 12 and 13) shall have no effect and no Party shall have any liability under them (without prejudice to the rights of the Parties in respect of antecedent breach of any provisions of this Agreement).

7. UNDERTAKINGS

7.1 Pending the completion of this Agreement, the Vendor undertake to procure, save as provided in this Agreement, the Target Company shall not prior to the Completion Date, do, allow, or procure any act or permit any omission which would or might constitute a breach of any of the Warranties or any of its undertakings set out in this Agreement, save with the Purchaser's prior written consent.

7.2 Pending the completion of this Agreement, the Vendor undertakes to the Purchaser to procure that, at all times prior to Completion Date, unless with the prior written consent of the Purchaser, the Target Company shall:-

- (A) not issue, or agree to issue, any share or loan capital or grant, or agree to grant, any option over or right to acquire or to subscribe for any share or loan capital;
- (B) not enter into any transaction, agreement or contract, trade or carry on business, acquire or dispose of any interest in any asset or create or undertake any capital commitment or expenditure or actual or contingent liability whatsoever;
- (C) not create or permit to arise any mortgage, charge (fixed or floating), lien, pledge, other form of security or Encumbrance or equity of whatsoever nature, whether similar to the foregoing or not, nor in respect of any part of its undertaking, property or assets of each member of the Target Company other than liens arising by operation of law in amounts which are not material;
- (D) not borrow any money in addition to those already borrowed by that Target Company at the date of this Agreement or those drawn under facilities already granted by financial institutions to the Target Company (if any) as at the date of this Agreement;
- (E) not incur any liabilities (including, without limitation, indebtedness or any management agreement) or enter into any transactions, agreements or arrangements other than in the ordinary course of business;
- (F) not make any advances or other credits to any person or give any guarantee or indemnity or act as surety for or otherwise other than in the ordinary course of business nor to secure or accept any direct or indirect liability for the liabilities of or obligations of any person;
- (G) not alter the terms of any financing/lending documents or security arrangements which has a material adverse effect on any member of Target Company;
- (H) continue to comply with and duly perform and discharge its duties and obligations (including payment obligations) under all agreements and contracts entered into by it and discharge, at its own costs and expenses, all liabilities in relation thereto which accrue due for the period prior to the Completion Date;
- (I) promptly notify the Purchaser of any circumstances or events which may give rise to any material claims or liabilities including taxation (whether present or

future, actual or contingent and joint or several) howsoever relating to any Target Company;

- (J) not hire any new employee, enter into any service agreements with directors or officers of any Target Company;
- (K) not commence, compromise, settle, release, discharge or compound any civil, criminal, arbitration or other proceedings or any liability, claim, action, demand or dispute or waive any right in relation to any of the foregoing;
- (L) not terminate any agreement or waive any right thereunder which have a material adverse effect on that Target Company;
- (M) other than as envisaged herein, not appoint any new directors;
- (N) not establish any new pension, retirement scheme, share option scheme, profit sharing or bonus scheme or any other benefit scheme or grant any option pursuant to the share option scheme currently in existence;
- (O) not release, compromise or write off any amount recorded in the books of account of Target Company as owing by any debtors of Target Company;
- (P) not terminate or allow to lapse any insurance policy in respect of any material assets now in effect;
- (Q) not carry on any business other than its existing business;
- (R) not enter into any partnership or joint venture arrangement;
- (S) not establish or open or close any branch or office; and
- (T) not dispose of the ownership, possession, custody or control of any corporate or other books or records which are required under any law, regulation or rule to be kept.

7.3 The Vendor shall procure that particulars of every significant new factor known to it which is capable of materially affecting assessment of the subject matter of this Agreement and which arises between the date hereof and the Completion Date shall be promptly provided to the Purchaser.

7.4 The Vendor undertakes with the Purchaser that:-

- (A) if at any time before the Completion Date, the Vendor come to know or on reasonable enquiry ought to be known reasonably of any fact, circumstance or event which:-
 - (I) is in any way inconsistent with any of the undertakings or Warranties given by the Vendor, or suggests that any fact warranted may not be as warranted or may be misleading; and/or
 - (II) might affect the willingness of a prudent purchaser for value of the Sale Shares to enter into or to complete a purchase of, or the amount of the consideration which such purchaser would be prepared to pay for, the Sale Shares;

the Vendor shall, as soon as practicable, give written notice thereof to the Purchaser; and

- (B) before the Completion Date, the Vendor shall not, and shall procure that Target Company will not, do or allow any act or omission which would constitute a breach of any of its undertakings and Warranties if their undertakings and Warranties were given at any time up to the Completion Date.

7.5 Without prejudice to the foregoing obligations, the Vendor undertakes with the Purchaser that they shall do all such other acts and things as may be reasonably required to be done by them to carry into effect the acquisition of the Sale Shares in accordance with the terms thereof and the terms of this Agreement.

8. **WARRANTIES REGARDING CAPACITY AND STATUS**

8.1 Each Party represents to each of the other Parties that each of the following statements is true and accurate as at the date of this Agreement and as at Completion:

(A) if it is a corporate entity:-

- (I) it is validly existing under the laws of its place of incorporation;
- (II) it has the power to enter into and perform its obligations under this Agreement and other related documents (“**Transaction Documents**”) to which it is a party and to carry out the transactions contemplated by therein;
- (III) it has taken all necessary action to authorise its entry into and performance of the Transaction Documents to which it is a party and to carry out the transactions contemplated by therein; and
- (IV) its obligations under the relevant Transaction Document are valid and binding and enforceable against it in accordance with their terms.

(B) if the Party is an individual:-

- (I) he has full legal capacity to enter into and perform his obligations under the Transaction Documents to which he is a party;
- (II) he is not a minor and is of full age and of sound mind;
- (III) he is not by reason of illness or incapacity (whether mental, physical or legal), incapable of managing his own affairs; and
- (IV) no order has been made or receiver appointed or sought to be made or appointed in respect of the Party under the Mental Health Ordinance (Cap. 136 of the Laws of Hong Kong) or any other laws in any jurisdiction which would prevent him from being bound by any Transaction Document to which he is a party nor has any step or procedure been taken in any jurisdiction which would restrict his ability or legal capacity to enter into the Transaction Documents to which he is a party or would require the approval of a third party or any authority.

9. **NOTICES**

9.1 Any notice to be given under this Agreement shall be in English and made in writing and may be delivered personally or sent by prepaid letter (airmail if overseas) or facsimile transmission. A notice shall be sent to the addressee (marked for the attention of the appropriate person) at its address or facsimile number set out below or to such other address or facsimile number as may be notified by such addressee to the other party from time to time for the purposes of this Clause.

9.2 The initial address and facsimile number of each of the Parties for the purposes of this Clause are as follows:

to the Purchaser:

Address:

Facsimile:

For the attention of:

to the Vendor:

Address:

Facsimile:

For the attention of :

9.3 A notice shall be deemed to have been served:

- (A) if personally delivered, at the time of delivery;
- (B) if posted, if to an addressee within the same country, two (2) working days (or if to an addressee in a different country, five (5) working days, when it shall be sent airmail) after the envelope containing the notice was delivered into the custody of the postal authorities;
- (C) if communicated by facsimile transmission, at the time of transmission;

PROVIDED THAT where, in the case of delivery by hand or transmission by facsimile, such delivery or transmission occurs after 4 p.m. (local time) on a working day or on a day which is not a working day in the place of receipt, service shall be deemed to occur at 9 a.m. (local time) on the next following working day in such place; and for this purpose, in this Clause "working day" means a day on which banks are open for business in the ordinary course, other than Saturdays and Sundays.

9.4 In proving service, it shall be sufficient to prove that personal delivery was made or that the envelope containing the notice was properly addressed and delivered into the custody of postal authorities authorised to accept the same, or if sent by facsimile, by receipt of automatic confirmation of transmission **PROVIDED THAT** a notice shall not be deemed to be served if communicated by facsimile transmission which is not legible in all material respects; such transmission shall be deemed to have been so legible if a request for retransmission is not made before the end of the next working day following the transmission.

10. WARRANTIES

10.1 The Vendor represents, warrants and undertakes to the Purchaser that each of the statements set out in Schedule 2 is now and will at Completion Date be true and accurate.

10.2 The Warranties are given subject to the matters fully and expressly disclosed in writing but no other information relating to Target Company of which the Purchaser have knowledge (actual or constructive) and no investigation by or on behalf of the Purchaser shall prejudice any claim made by the Purchaser under the Warranties or operate to

reduce any amount recoverable, and liability in respect thereof shall not be confined to breaches discovered before Completion.

- 10.3 The Vendor acknowledges that the Purchaser has entered into this Agreement in reliance upon the Warranties and has been induced by them to enter into this Agreement.
- 10.4 Without restricting the rights of the Purchaser or otherwise affecting the ability of the Purchaser to claim damages in respect of any breach of the Warranties, the Vendor shall indemnify and keep indemnified the Purchaser against all loss, damages, costs and expenses suffered or incurred by the Purchaser in connection with or as a result of such breach and (including legal costs on a solicitor and own client basis), which it may incur or suffer either before or after the commencement of any action in connection with (i) any legal proceedings in which the Purchaser claims that any of the Warranties has been broken or is untrue or misleading and in which judgment is given for the Purchaser; or (ii) the enforcement of any settlement of, or judgment in respect of, such claim.
- 10.5 Each of the Warranties shall be separate and independent and, save as expressly provided to the contrary, shall not be limited by reference to or inference from any other Warranty or any other term of this Agreement.
- 10.6 The Vendor shall procure that (save only as may be necessary to give effect to this Agreement) Target Company shall not do, allow or procure any act or omission before Completion which would constitute a breach of any of the Warranties if they were given at Completion or which would make any of the Warranties inaccurate or misleading if they were so given.
- 10.7 The Vendor hereby agrees to disclose promptly to the Purchaser in writing immediately upon becoming aware of the same, any matter, event or circumstance (including any omission to act) which may arise or become known to it after the date of this Agreement and before Completion which:
 - (A) constitutes a breach of or is inconsistent with any of the Warranties; or
 - (B) has, or is likely to have, an adverse effect on the financial position or prospects of Target Company.
- 10.8 In the event of its becoming apparent on or before Completion that the Vendor is in material breach of any of the Warranties or any other term of this Agreement or any obligation of the Target Company hereunder has not been duly and promptly fulfilled or performed in any material respect or is incapable of due and prompt fulfilment or performance by the Vendor or the Purchaser becomes aware of any material litigation which is pending or threatened against any member of the Target Company which if adversely determined against it would materially and adversely affect the financial position of Target Company as a whole, the Purchaser may rescind this Agreement by notice in writing to the Vendor.
- 10.9 If any sum payable by the Vendor under this Clause 10 shall be subject to taxation (whether by way of deduction or withholding or direct assessment of the person entitled thereto) such payment shall be increased by such an amount as shall ensure that after deduction, withholding or payment of such taxation the recipient shall have received a net amount equal to the payment otherwise required hereby to be made.

10.10 If the Purchaser elects to rescind or terminate this Agreement in accordance with Clauses 2.4 or 10.8 then:

- (A) all rights and obligations of the Purchaser in respect of the Vendor or of the Vendor in respect of the Purchaser shall cease to have effect immediately upon rescission or termination except that rescission or termination shall not affect the then accrued rights and obligations of the Parties and shall be without prejudice to the continued application of Clauses 2.4 (refund of part of Consideration), 12 and 13; and
- (B) in the case of rescission or termination by the Purchaser due to the Vendor's material breach of any of their obligations hereunder, the Vendor shall (in addition to any other remedy the Purchaser may have) indemnify the Purchaser against all costs properly incurred by the Purchaser of and incidental to the negotiation, preparation, execution or rescission of this Agreement or the fulfilment of any of the Conditions Precedent.

10.11 Tax Indemnity: Subject to Clause 10.12, the Vendor shall indemnify and keep indemnified the Purchaser and the Target Company in respect of any Claim against Target Company in relation to taxation in respect of any period that ends on or prior to Completion arising as a result of or in respect of:

- (A) any event that occurs, or is deemed to occur, on or prior to Completion;
- (B) any income, profits or gains derived or deemed to have been derived under any taxation law, in respect of any period prior to or on Completion; or
- (C) any deductions or losses incurred or deemed under a taxation law to have been incurred on or prior to Completion.

10.12 The Vendor will not be liable under Clause 10.11 to the extent that a provision, reserve or allowance has been made for such taxation in the Accounts. Clause 10.11 survives after Completion.

11. **EXPENSES**

11.1 Each Party shall be responsible to pay its/his own fees, duties, costs, charges and expenses (including its own legal expenses) incurred in connection with the negotiation, preparation and completion of this Agreement.

11.2 Stamp duty and other government levy or duties and penalty payable on the transfer of the Sale Shares shall be borne by the Purchaser and the Vendor in equal shares.

12. **ANNOUNCEMENT AND CONFIDENTIALITY**

12.1 No public announcement or communication of any kind shall be made in respect of the subject matter of this Agreement unless specifically agreed between the Parties or unless an announcement or any form of such publication in similar nature is required pursuant to relevant laws, rules, regulations or the requirements of the Stock Exchange, SFC or relevant regulatory authority.

12.2 Save as aforesaid and such disclosure as may be required by law, any court or competent authority, the Stock Exchange, SFC or other regulatory authorities or as may be required to comply with the Listing Rules, none of the Parties shall make any announcement or release or disclose any information concerning this Agreement or the transactions

herein referred to or disclose the identity of the other Parties (save disclosure to their respective professional advisers under a duty of confidentiality or their respective directors, secretary and shareholders (whether immediate, intermediate or ultimate and whether being legal or beneficial owner of the shares concerned), or for giving effect to the provisions herein contained) without the prior written consent of the other Parties, such consent not to be unreasonably withheld or delayed.

13. GOVERNING LAW AND JURISDICTION

- 13.1 Governing Law: This Agreement (together with all documents referred to in it) shall be governed by and construed and take effect in accordance with the laws of Hong Kong.
- 13.2 Jurisdiction: With respect to any question, dispute, suit, action or proceedings arising out of or in connection with this Agreement (“**Proceedings**”), each party irrevocably:
- (A) submits to the non-exclusive jurisdiction of the courts of Hong Kong; and
 - (B) waives any objection which it may have at any time to the laying of venue of any Proceedings brought in any such court, waives any claim that such Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to such Proceedings, that such court does not have any jurisdiction over such party.
- 13.3 Nothing in this Agreement precludes either party from bring Proceedings in any other jurisdiction nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

14. GENERAL PROVISIONS

- 14.1 Further Assurance: Each Party agrees to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by law or as may be necessary or reasonably desirable to implement and/or give effect to this Agreement and the transactions contemplated by him/it.
- 14.2 Entire Agreement: This Agreement (together with any document described in or expressed to be entered into in connection with this Agreement) constitutes the entire agreement between the parties in relation to the transaction(s) referred to it/him or in them and supersedes any previous agreement between the parties in relation to such transaction(s). It is agreed that:
- (A) no Party has entered into this Agreement in reliance upon any representation, warranty or undertaking of any other party which is not expressly set out or referred to in this Agreement; and
 - (B) except for any breach of an express representation or warranty under this Agreement, no Party shall have any claim or remedy under this Agreement in respect of misrepresentation or untrue statement made by any other Party, whether negligent or otherwise, and whether made prior to or after this Agreement, **PROVIDED THAT** this clause shall not exclude liability for fraudulent misrepresentation.
- 14.3 Remedies Cumulative: Any right, power or remedy expressly conferred upon any party under this Agreement shall be in addition to, not exclusive of, and without prejudice to

all rights, powers and remedies which would, in the absence of express provision, be available to it; and may be exercised as often as such Party considers appropriate.

- 14.4 Waivers: No failure, relaxation, forbearance, indulgence or delay of any party in exercising any right or remedy provided by law or under this Agreement shall affect the ability of that party subsequently to exercise such right or remedy or to pursue any other rights or remedies, nor shall such failure or delay constitute a waiver or variation of that or any other right or remedy. No single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.
- 14.5 Partial Invalidity: The Parties intend that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws applied in each jurisdiction in which enforcement is sought. If any particular provision or part of this Agreement shall be held to be invalid or unenforceable, then such provision shall (so far as invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement. The Parties shall use all reasonable endeavours to replace the invalid or unenforceable provisions by a valid and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.
- 14.6 Variation: No variation of any of the terms of this Agreement (or of any document described in or expressed to be entered into in connection with this Agreement) shall be effective unless such variation is made in writing and signed by or on behalf of each of the Parties. The expression "Variation" shall include any variation, supplement, deletion or replacement however effected.
- 14.7 Assignment: This Agreement shall be binding upon, and inure to the benefit of, the Parties and their respective successors and permitted assigns. No Party shall take any steps to assign, transfer, charge or otherwise deal with all or any of its rights and/or obligations under or pursuant to this Agreement without the prior written consent of the other parties. In the absence of the prior written consent of the Parties, this Agreement shall not be capable of assignment.
- 14.8 Counterparts: This Agreement may be executed in any number of counterparts all of which, taken together, shall constitute one and the same agreement. Any party may enter into this Agreement by executing any such counterpart.
- 14.9 Legal Relationship: The Parties are independent principals and no party is nor shall it hold itself out as the agent or partner of another, and no party shall have any authority to bind or incur any liability on behalf of any other Party.
- 14.10 Third Party Rights: A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce or enjoy the benefit of any terms of this Agreement.
- 14.11 Punctual Performance: Time shall be of the essence of this Agreement.
- 14.12 Provisions to Survive Completion: All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding Completion except in respect of those matters already performed.

SCHEDULE 1 – TARGET COMPANY

Name: : DL Family Office (HK) Limited
德林家族辦公室(香港)有限公司

Date of Incorporation: : 23 August 2013

Place of Incorporation: : Hong Kong

Company Number: : 1957049

Registered Office: : Unit 2802, 28/F. Vertical Square, 28 Heung Yip Road, Wong Chuk Hang, Hong Kong

Issued Share Capital as at the date hereof: : 18,212,092 shares of HK\$1.00 each

Business : carry out Type 4 (advising on securities) and Type 9 (asset management) regulated activities under the SFO

Shareholders : Prior to Completion:
DL Global Holdings Limited: 10,016,651 shares in the Target Company, being approximately 55% of the entire issued share capital of the Target Company
DL Asset Management Limited: 8,195,441 shares in the Target Company, being approximately 45% of the entire issued share capital of the Target Company

Directors : LAM Siu Hong

Company Secretary : Primasia Corporate Services Limited

Subsidiary : Nil

SCHEDULE 2 - REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

For the purposes of this Schedule, the expression of the "Company" in this Schedule means the Target Company. In consideration of the Purchaser entering into this Agreement, and subject to expressly disclosed in writing (if any), the Vendor represents, warrants and undertakes as follows:

1. GENERAL INFORMATION AND POWERS OF THE VENDOR

- 1.1 The execution, delivery and performance of this Agreement by the Vendor does not and will not violate in any respect any provision of any mortgage, contract or other undertaking or instrument to which the Vendor is a party or which is binding, upon themselves or any of their assets, and does not and will not result in the creation or imposition of any Encumbrance on any of their assets pursuant to the provisions of any such mortgage, contract or other undertaking, or instrument.
- 1.2 Save as stipulated in Clause 2.1 of the Agreement, all and any consent of any governmental department authority or agency in Hong Kong and other jurisdiction which is/are required by the Vendor and the Company in relation to the valid execution, delivery or performance of this Agreement (or to ensure the validity or enforceability thereof) and the transactions contemplated thereunder has been duly obtained.
- 1.3 All information given by the Vendor and the Company or their respective advisers, to the Purchaser or the Purchaser's solicitors, relating to the Company or their business, activities, affairs, or assets or liabilities (including all documents attached thereto) was, when given, and is now, true, complete and accurate in all material respects and not misleading in any respect.
- 1.4 There are no facts or circumstances, in relation to the assets, business or financial condition of Target Company, which have not been fully and fairly disclosed in writing to the Purchaser or the Purchaser's solicitors, and which are material for disclosure to the Purchaser or which, if disclosed, might reasonably have been expected to affect the decision of the Purchaser to enter into this Agreement, or the terms on which it would do so.
- 1.5 As at the date of this Agreement, immediately prior to and on the Completion Date, the information set out in the Recital and the Schedules is true, accurate and complete.

2. SHARE CAPITAL

- 2.1 All the shares owned by the Vendor in the Target Company (i.e. 10,016,651 Sale Shares) represent approximately 55% of the entire issued share capital of the Target Company as at the date hereof.
- 2.2 Immediately before Completion:
 - (a) the issued shares set out in table in Schedule 1 comprise the whole of the issued share capital of the Company;
 - (b) other than the ordinary shares which are owned by the Vendor, there is no other class of shares in the capital of the Target Company;

- (c) there are no rights of pre-emption or of first refusal in favour of any person or entity (whether in the constitutional documents of the Target Company or otherwise) in relation to the issue of shares of the Target Company;
- (d) the Company has not granted any option, convertible note, warrant or other security convertible into shares of the Company or other right over the shares of the Company;

2.3 Except as required by this Agreement, there is not and has never been:

- (a) any agreement or arrangement in force which provides for the present or future issue, allotment or transfer of, or grant to any person the right (whether conditional or otherwise) to call for the issue, allotment or transfer of, any share or loan capital of the Company or any of its subsidiaries or associates (including any option or right of pre-emption or conversion); or
- (b) any Encumbrance on or in relation to any issued or unissued shares of the Target Company (including but not limited to that of Sale Shares),

and no claim has been made by any person to be entitled to any such agreement, arrangement or Encumbrance.

2.4 The Company has not at any time purchased or repaid any of its own share capital, or given or agreed to give any unlawful assistance in connection with any acquisitions of its or any other company's share capital.

2.5 There is no agreement or commitment outstanding which calls for the transfer, allotment or issue of or accords to any person the right to call for the transfer, allotment or issue of any shares or debentures in the Company (including any option or right of pre-emption or conversion); and no claim has been made by any person to be entitled to any such agreement or commitment.

3. FINANCIAL MATTERS

3.1 The Accounts of the Company:

- (a) have been prepared in accordance with generally accepted accounting practice in Hong Kong and comply with all current Accounting Standards;
- (b) comply with the requirements of all relevant laws and regulations;
- (c) are complete and accurate in all material respects and give a true and fair view of the financial position and the respective state of affairs of the Company (as the context may require) and the respective profits or losses (as the case may be) of the Company (including inventory), proper provision for all bad or doubtful debts of the Company and proper provision for or a note of (in accordance with good accounting practice) all contingent liabilities and all capital commitments respectively;
- (d) including that of the accounts, books, ledgers and financial and other records of the Company have been properly kept in accordance with normal business practice and are in the possession of the Company or under its control and at the date of this Agreement such accounts, books, ledgers and financial and other records are sufficient to give a fair view of the state of the Company's affairs and to explain its transactions;

(e) make adequate provision or reserve, in accordance with the principles set out in the notes included therein, for all taxation liable to be assessed on the Company, or for which it may be accountable, in respect of the period ended on the accounts date and such provision is sufficient to cover all taxation assessed or liable to be assessed on any of the Company for which the Company is, may be or may become accountable in respect of profits, income and other transactions up to and including Accounts Date; and

(f) fully disclose all the material assets of the Company as at Accounts Date.

3.2 No amount included in the Accounts in respect of any asset, whether fixed or current, exceeds its purchase price or its net realisable value or its depreciated or amortised value or its fair value (as the case may be) at Accounts Date.

3.3 The bases and rates of depreciation and amortisation adopted in the Accounts were the same as those adopted in the respective audited accounts of the Company for the two previous accounting periods (if applicable).

3.4 There are no liabilities (including, without limitation, contingent liabilities) which are outstanding on the part of the Company other than those liabilities disclosed in the Accounts or incurred in the ordinary and course of business, since Accounts Date.

3.5 At all times up to and as at Completion Date, the Company has sufficient working capital to maintain day-to-day operations.

4. **CORPORATE MATTERS**

4.1 Since Accounts Date of the Management Accounts, no material alteration has been made to the memorandum and articles of association (as the case may be) of the Company.

4.2 All returns, particulars, resolutions and documents which the Company was required under the Companies Ordinance (Chapter 622 of the laws of Hong Kong) (the "**Companies Ordinance**") or any other relevant statute to be filed, notarised or registered have been duly filed, notarised and registered, and due compliance has in all material respects been made with all relevant laws and regulations.

4.3 The Company has kept duly made up all requisite books of account (in accordance with good accounting principles), minute books, registers and financial and other records. All records:

(a) have been fully, properly and accurately kept and completed in accordance with normal business practice and good accounting principles and comply with all applicable requirements and standards;

(b) do not contain any inaccuracies or discrepancies; and

(c) give and reflect a correct view of trading transactions, and financial, contractual and trading positions (and no notice or allegation that any of them is inaccurate or should be rectified has been received or made),

and the records and all other deeds and documents (including title deeds and documents), belonging to or which ought to be in the possession of the Company, and the corporate seal, are in the possession of the Company or its agents.

- 4.4 The register of members and other statutory books of the members of the Company have respectively been properly kept and contain an accurate and complete record of the matters with which they should deal.
- 4.5 The minute books of directors' meetings and of shareholders' meetings of the members of the Company respectively contain full and accurate records of all resolutions passed by the directors and the shareholders respectively of the members of the Company and no resolutions have been passed by either the directors or the shareholders of the Company which are not recorded in the relevant minute books.
- 4.6 The Company is duly incorporated and validly existing under the laws of country or region of incorporation or establishment.
- 4.7 The Company has no other subsidiary, associate, branch, agency or place of business, or any permanent establishment.
- 4.8 No order has been made or resolution passed for the winding up of the Company and there is no outstanding:-
- (a) petition or order for the winding up of the Company;
 - (b) receivership of the whole or any part of the undertaking or assets of the Company;
 - (c) petition or order for the administration of the Company; or
 - (d) voluntary arrangement between the Company and any of their creditors.
- 4.9 There are no circumstances which are known, or would on reasonable enquiry be known, to the Company and which would entitle any person to present a petition for the winding up or administration of the Company or any of its subsidiaries or associates or to appoint a receiver of the whole or any part of their undertaking or assets.

5. BUSINESS

5.1 Since Accounts Date of the Management Accounts:

- (a) the business of the Company has been continued in the ordinary and normal course and in the same manner as previously;
- (b) there has been no material deterioration:
 - (i) in the turnover, or the financial or trading position, business or prospects of the Company or any of its subsidiaries or associates;
 - (ii) in the Company's consolidated net deficit (on the same basis as that used in the Audited Accounts); or
 - (iii) or material change in the areas of business or business environment in which the Company or any of its subsidiaries or associates operate.
- (c) the members of the Company have not by doing, or omitting to do, anything, prejudiced their goodwill, relationships or reputation;
- (d) no significant supplier or customer of the Company has stopped, or indicated an intention to stop, supplying or doing business with it, or substantially reduced its supplies to or levels of business with it, or substantially changed the terms on which it is prepared to supply or do business with the Company (other than

normal price changes), or indicated an intention to make such reductions or changes;

- (e) the business of the Company has not been materially and adversely affected by the termination, or a change in the terms, of an important agreement or by an abnormal factor not affecting similar businesses and the Company is not aware of a fact or circumstance which might have a material and adverse effect on the respective businesses of the Company; and
 - (f) the members of the Company have paid their creditors in accordance with their credit terms; and there are no amounts owing by the Company which have been due for more than 12 months.
- 5.2 No circumstance exists to lead the Company to believe that (whether by reason of an existing agreement or arrangement or otherwise) any significant customer of the Company will or may cease, or be entitled to cease, to deal with it or will or may substantially reduce its existing level of business or will or may substantially change the terms on which it is prepared to do business with the Company (other than normal price changes).
- 5.3 To the best of the knowledge of the Company, no customer or other person with whom the Company do business at a level or in a manner which is material to the Company is or may become in financial, business or other difficulties which has had or could have an adverse effect on the Company or its business and trading and financial position or prospects. No party to any agreement with, or under an obligation to, the Company is in material default under it, and there are no circumstances likely to give rise to such a default.
- 5.4 The Company has not manufactured, sold or supplied products which are, or were, or will become, in any material respect, faulty or defective, or which do not comply in any material respect with any representations or warranties expressly or impliedly made by such company, or with all applicable regulations, standards and requirements. The Company has not provided any services which are, or were, or will, in any material respect, breach any applicable laws, regulations, standards or requirements.
- 5.5 The Company is not subject to any liability or obligation (save as may be implied by law) to service, rectify, maintain, take back or otherwise do or not do anything in respect of any services or products that have been, or are after the date of this Agreement, provided by them.
- 5.6 Except for a condition or warranty implied by law or contained in its standard terms of business or otherwise given in the usual course of business, the Company has not given a guarantee, condition or warranty, or made a representation, in respect of services provided or agreed to be provided by it, or accepted an obligation that could give rise to a liability after the services or products provided by it.
- 5.7 The Company has not entered into an agreement or arrangement with a customer on terms materially different to their standard terms of business.
- 5.8 Save as disclosed in the Agreement, the Company has not agreed to become a member of any joint venture, consortium, partnership or other unincorporated association, or a party to any agreement or arrangement for sharing commissions or other income.

6. FINANCE

- 6.1 Save as disclosed in this Agreement, there were no capital commitments outstanding on Accounts Date and, since Accounts Date, the Company has not made, or agreed to make, any material capital expenditure, or incurred or agreed to incur any material capital commitments nor have disposed of, or realised, any material capital assets or any interest therein.
- 6.2 The Company has no outstanding, or have agreed to create or issue, any loan capital; or has factored any of their debts, or engaged in financing of a type which is not required to be shown or reflected in the Audited Accounts.
- 6.3 The Company has not received notice from any lenders to them, requiring repayment or intimating the enforcement of any security the lender may hold over any of their assets.
- 6.4 The Company has not lent any money which has not been repaid, or own the benefit of any debt (whether or not due for repayment), other than debts which have arisen in the ordinary course of their business, and the Company have not made any loan or quasi-loan contrary to the Companies Ordinance or other applicable legislation.
- 6.5 Since Accounts Date, no dividend or other distribution has been, or is treated as having been, or has been proposed to be, declared, made or paid by the Company. All dividends or distributions declared, made or paid by the Company or its subsidiaries (if any) have been declared, made or paid in accordance with their articles of association and the applicable provisions of the Companies Ordinance or any applicable laws, as the case may be.

7. ASSETS

- 7.1 The Company, or its associates, legally and beneficially owned as at Completion Date, and had good and marketable title to and possession of, and (except for current assets subsequently sold or realised in the ordinary course of business) still owns and has good and marketable title to and possession of, all the material assets included in the Audited Accounts. The Company, or its associates, legally and beneficially owned, and had good and marketable title to and possession of, all material assets acquired since Accounts Date and not subsequently sold or realised as aforesaid. The Company has not acquired or agreed to acquire any assets since Accounts Date.
- 7.2 The assets owned by the Company, together with assets (if any) held under hire purchase, leasing or rental agreements (which are the only assets so held), comprise all material assets necessary for carrying on of the business of the Company as now carried on.
- 7.3 The Company has not created, or granted, or agreed to create or grant, any Encumbrance in respect of any of the assets included in the Management Accounts, or acquired or agreed to be acquired since Accounts Date, in each case otherwise than in the ordinary course of their business, or in respect of the undertaking, goodwill or uncalled capital of the relevant company.
- 7.4 No part of the amounts included in the Management Accounts, or subsequently recorded in the books of the Company, as owing by any debtor is:
 - (a) overdue by more than one year;

- (b) the subject of any arrangement made otherwise than in the ordinary of course of business of the Company.
- (c) has been realised or released on terms that any debtor pays less than the full book value of his debt, or has been deferred, subordinated or written off, or has proved to any extent to be irrecoverable, or is now regarded by the Company as irrecoverable, or subject to doubt as to its recoverability, in whole or in part, or is subject to any counter-claim or set-off, except to the extent of any relevant provision or reserve relating thereto in the Accounts.

8. LIABILITIES AND INDEBTEDNESS

- 8.1 There are no material liabilities, obligations or indebtedness of any nature (including liabilities under guarantees or indemnities and other contingent liabilities) which have been assumed or incurred, or agreed to be assumed or incurred, by the Company other than those liabilities, obligations and indebtedness clearly disclosed in the Management Accounts.
- 8.2 The Company is not a party to and/or liable (including, without limitation, contingently) under any guarantee (except for intra group guarantees, if any).
- 8.3 The Company has not factored any of its debts or engaged in financing of a type which would not require to be shown or reflected in the Management Accounts.
- 8.4 The amounts borrowed by the Company (as determined in accordance with the provisions of the relevant instrument) do not exceed any limitation on their borrowing powers contained in their articles of association, or in any debenture or other deed or document binding upon them.
- 8.5 The Company does not have any liability which is not disclosed to the Purchaser or will not be shown or otherwise specifically provided for in the DL Family Management Accounts.

9. COMPLIANCE

- 9.1 The Company has the right, power and authority, and is duly qualified, to carry all businesses which they carry on in all jurisdictions, have obtained all necessary licences, consents and approvals from any person, authority or body for the proper carrying on of their businesses and all such licences, consents and approval are unconditional, valid and subsisting and have been properly obtained; the Company is not in breach of any of the terms or conditions of any of such licences, consents and approvals and there are no factors that might in any way prejudice the unimpaired and unamended continuation, or renewal, of any of them.
- 9.2 The Company, its associates or any of their respective officers, agents or employees (during the course of their duties in relation to it), have not committed, or omitted to do, any act or thing, the commission or omission of which is, or could be, in contravention of any applicable regulation, giving rise to any fine, penalty, default proceedings or other liability on its part or other adverse consequence. The Company has conducted and are conducting business in all material respects in accordance with all regulations in such jurisdictions applicable.
- 9.3 There is and has been no governmental or regulatory investigation enquiry or disciplinary proceeding concerning the Company, its subsidiaries or associates, their officers,

employees or representatives in any jurisdiction and none is pending or threatened and that no fact or circumstance exists which might give rise to any such investigation, enquiry or proceeding.

- 9.4 There is no dispute with any revenue, or other official, department, agency or body in Hong Kong, Cayman Islands or elsewhere, in relation to the affairs of the Company, and there are no facts which may give rise to any dispute.
- 9.5 The Company has, at all times, carried on business and conducted their affairs in all material respects in accordance with their memorandum and articles of association for the time being in force and any other documents to which they are, or have been, a party.
- 9.6 All filings, returns, particulars, resolutions and documents required by the Companies Ordinance or any other legislation to be filed with the Companies Registry in Hong Kong, or any other authority in any jurisdiction, in respect of the members of the Company have been duly filed and were correct.
- 9.7 All Encumbrances, guarantees and indemnities in favour of the members of the Company are valid, binding and enforceable in accordance with their terms and have (if appropriate) been registered in accordance with the provisions of the Companies Ordinance and have been registered under and otherwise comply with any other applicable legislation.
- 9.8 Compliance has been made with all legal and procedural requirements and other formalities in connection with issues of shares, debentures or other securities by, and all directors and other officers of the Company. Save as to such consent, approval and authorisations contemplated in this Agreement, there are no other consent of any third party is required to be obtained in respect of the sale of the Sale Shares.
- 9.9 To the best of the knowledge of the Company, the Company or any person for whose acts or defaults the Company may be vicariously liable have not:
 - (a) offered or made an unlawful or immoral payment, contribution, gift or other inducement to a government official or employee in any jurisdiction; or
 - (b) induced a person (or procured another person) to enter into an agreement or arrangement with the Company or any third party by means of an unlawful or immoral payment, contribution, gift, or other inducement; or
 - (c) directly or indirectly made an unlawful contribution to a political activity.

10. AGREEMENTS

- 10.1 The Company is not a party to any contract, instrument, transaction, arrangement, practice, liability or obligation (or offer, tender or proposal) which:
 - (a) is of an unusual or abnormal or non-trading nature, or outside the ordinary and proper course of business;
 - (b) is of a long-term nature (that is, unlikely to have been fully performed, in accordance with its terms, more than two years after the date on which it was entered into or undertaken);
 - (c) cannot readily be fulfilled or performed by it on time or without undue, or unusual, expenditure of money, effort or personnel;

- (d) is a swap, futures or derivatives contract of any nature or involves payment by it of amounts determined by reference to fluctuations in an index of retail prices or shares, or any other index, or any prices of securities, commodities or any other things, or any other benchmark of any nature or in the rate of exchange for any currency;
 - (e) is a contract for hire purchase, or purchase by way of credit sale or conditional sale or periodical payment; or
 - (f) restricts the Company's freedom to operate any business or use its assets in any part of the world as it considers appropriate;
 - (g) is prohibited, void, illegal or unenforceable, or has any consequences (including the application of disclosure, registration or notification requirements), under any laws or requirements of any jurisdiction relating to competition, anti-trust, fair trading and similar matters;
 - (h) involves, or is likely to involve, material obligations or liabilities which, by reason of their nature or magnitude, ought reasonably to be made known to the Purchaser.
- 10.2 No offer, tender, proposal or the like is outstanding (except those in the ordinary course of business) which is capable of being converted into an obligation of the Company by acceptance, or other act, of some other person, firm or company.
- 10.3 The Company is not a party to, nor have their profits or financial position during the year prior to the date of this Agreement been affected by, any contract, transaction or arrangement which is not entered into in the ordinary course of business and of an entirely arm's length nature.
- 10.4 The Company is not in default under any agreement, instrument or obligation binding on them. No threat or claim of default, under any agreement, instrument or arrangement to which the Company is a party has been made and there is no circumstance whereby any such agreement, instrument or arrangement is invalid or may be prematurely terminated, rescinded, repudiated or disclaimed by any other party and no notice has been received of any such party's intention, and no such party has sought, to terminate, rescind, repudiate or disclaim any such agreement, instrument or arrangement.
- 10.5 The execution of, or compliance with the terms of, this Agreement does not and will not:
- (a) conflict with, or result in the breach of, or constitute a default under, any of the terms, conditions or provisions of any agreement or instrument to which the Company is a party, or any provision of the memorandum or articles of association of the Company or any Encumbrance, lease, contract, order, judgement, award, injunction, regulation or other restriction or obligation of any kind or character by which or to which any asset of the Company are bound or subject;
 - (b) relieve any person from any obligation to the Company (whether contractual or otherwise), or enable any person to determine any obligation, or any right or benefit enjoyed by the Company, or to exercise any right, whether under an agreement with, or otherwise in respect of, the Company;

- (c) so far as the Company is aware, prejudicially affect the attitude of customers, suppliers, lenders and employees of the Company;
- (d) result in the creation, imposition, crystallisation or enforcement of any Encumbrance whatsoever on any of the assets of the Company;
- (e) result in any present or future indebtedness or other facilities of the Company becoming due, or capable of being declared due and payable, prior to its stated maturity; or
- (f) save as stipulated in Clause 2.1, require the Company to obtain the consent or approval of any person, body or authority (whether as a matter of regulation, contract, or other requirement or expectation whether formal or not).

10.6 The Company is not a party to any secrecy agreement or any agreement or arrangement which may restrict the use or disclosure of information by the Company.

10.7 No power of attorney given by the Company is in force. There are no outstanding any authorities (express, implied or ostensible) by which any person may enter into any material contract or commitment to do anything on behalf of the Company, other than to their employees to enter into routine trading contracts in the normal course of their duties.

11. EMPLOYMENT

11.1 During the period to which the Management Accounts relates and since Accounts Date (where employment or holding of office commenced after the beginning of such period) since the commencement date of the employment or holding of office:

- (a) no change has been made (or agreed to be made) in the rate of remuneration, or the emoluments or pension benefits, of any officer, ex-officer or senior executive of the Company; and/or
- (b) no change has been made in any other terms of employment of any officer.

11.2 The Company is not bound or accustomed to pay any moneys or other benefits other than in respect of remuneration, or emoluments of employment, or pension benefits, to, or for the benefit of, any officer or employee of the Company; in particular, there are no bonus, share option, incentive or other such schemes in operation or any schemes where any employee, officer or other person is entitled to any commission or remuneration of any sort calculated by reference to the turnover, profits or sales of the Company, or any agreements or arrangements relating to the aforesaid.

11.3 No negotiations for any increase in the remuneration or benefits of any officer or employee of the Company are current or likely to take place within six months after the date of Completion Date.

11.4 All subsisting contracts of employment, to which the Company is a party, are determinable at any time on 3 month's notice or less without giving rise to any claim for damages or compensation.

11.5 Since Accounts Date, no senior executive of the Company (if any), and no officer of the Company (if any), has given or received notice terminating his employment or office, except as expressly contemplated in this Agreement (if applicable), and no such

executive or officer will be entitled to give such notice as a result of the provisions of this Agreement.

- 11.6 The Company has maintained up-to-date, full and accurate records regarding the employment of each of its employees (including, without limitation, details of terms of employment, payments of statutory entitlements, taxation, holidays, disciplinary and health and safety matters) and termination of employment.
- 11.7 There are no agreements or other arrangements (whether or not legally binding) between the Company and any trade union or other body representing employees.
- 11.8 The Company is not involved in any dispute with, or subject to any claim (whether at the Labour Tribunal, in the Courts or otherwise) from, any of their current or former employees, consultants or other contractors, and there are no facts known to the Company which might suggest that there may be any dispute or claim or that any of the provisions of this Agreement may lead to any such dispute or claim.
- 11.9 There are no claims pending or threatened, or capable of arising, against the Company, by an employee or workman or third party, in respect of any accident or injury, which are not fully covered by insurance.
- 11.10 Full provision has been made in the Audited Accounts and the Management Accounts for all and any compensation, severance or other payment (whether under regulation, relevant agreement or otherwise) for which the Company are or may be liable in respect of termination of employment, loss of office, wrongful or unfair dismissal, redundancy or similar matters.
- 11.11 No loan or advance or financial assistance (except in the ordinary course of business) has been made by the Company to any employee or officer or past or prospective employee or officer, which is outstanding.
- 11.12 The Company and all its employees, consultants and other persons for whose acts they may be liable, have at all times complied with all applicable obligations under statute and otherwise concerning the treatment, health and safety of the employees, consultants, officers and contractors of the Company.

12. INSURANCE

- 12.1 The Company has taken out valid insurances over all of its material assets and against all risks and losses of the business carried on by it which are in the reasonable opinion of the directors normal, usual, prudent and proper for companies carrying on similar businesses to take and the Company is entitled to the full benefits of such relevant insurances. Nothing has been done or has been omitted to be done whereby any of the said policies has or may become void or voidable.
- 12.2 None of the insurance policies in respect of the assets of the Company are subject to any special or unusual terms or restrictions or to the payment of any premium in excess of the normal rate.
- 12.3 No material claim is outstanding, or may be made, under any of the insurance policies in respect of the assets of the Company and no circumstances exist which are likely to give rise to such a claim.

12.4 All premiums or other amounts due and payable in respect of the insurance policies in respect of the material assets of the Company have been paid or accrued in the Audited Accounts.

13. LITIGATION AND WINDING UP

13.1 The Company or any person for whose acts or defaults the Company may be vicariously liable is not :

(a) involved in, or threatened with, any claim, litigation, prosecution or arbitration in any court, tribunal or otherwise and to the best of the Vendor's knowledge, information and belief there are no facts or circumstances likely to give rise to any such litigation or arbitration; and

(b) the subject of any unsatisfied judgment or award.

13.2 The Company has not received notice that it is to be investigated for any breach of the law.

13.3 No order has been made, or petition presented, or resolution passed for the winding up of the Company; nor has any distress, execution or other process been levied in respect of the Company which remains undischarged; nor is there any unfulfilled or unsatisfied judgment or court order outstanding against the Company.

14. TITLE AND INTEREST OVER THE ASSETS

14.1 With respect to the rights and interests in the assets owned by the members of the Company, the members of the Company have good title to their material assets or any rights or interests thereto, there are no Encumbrances of whatever nature or interests, conditions, consents, orders, regulations or other restrictions affecting any of the assets which materially and adversely limit, restrict or otherwise affect the ability of the members of the Company to utilise or develop or enjoy any such assets and, where any such assets are held under lease or licence by the members of the Company are not and have not been subject to any breach or any dispute or claim.

14.2 Maintenance contracts are in full force and effect in respect of material assets which it is normal or prudent to have maintained by independent or specialist contractors, and in respect of all material assets which the members of the Company are obliged to maintain or repair under any leasing or similar agreement; and all those material assets have been regularly maintained to a good technical standard, and in accordance with safety regulations usually observed in relation to assets of that description, and in accordance with the terms and conditions of any applicable leasing or similar agreement.

15. INTELLECTUAL PROPERTY

15.1 The carrying of the business of the Company in their ordinary and usual course of business as at present have not infringed and will not infringe any Intellectual Property Rights of any third party or give rise to any commission, royalty or like fee of a material amount or require any licence, consent, approval, authorisation, permission, waiver, order or exemption to be obtained which is material in the context of the respective business of the members of the Company.

16. DEBTS, CONTRACTS AND ARRANGEMENTS WITH CONNECTED PERSONS, ETC.

- 16.1 Save as it is disclosed to the Purchaser before Completion, there is no indebtedness (actual or contingent) nor any indemnity, guarantee or security arrangement between the Company and any current or former employee, current or former director or any current or former consultant of the Company or any person connected with any of such persons.
- 16.2 Save as it is disclosed to the Purchaser before Completion, no member of the Company is or has been a party to any contract, arrangement or understanding (a) with any current or former employee, any current or former director or any current or former consultant of the Company or any person connected with any of such persons or (b) in which any current or former employee, any current or former director or any current or former consultant of the Company or any person connected with any of such persons is interested (whether directly or indirectly).
- 16.3 Save as it is disclosed to the Purchaser before Completion, there are no existing contracts or arrangements between or involving the Company and any of the substantial shareholders of the Company and/or any director of the Company and/or any person connected with any of them.
- 16.4 There are:
- (a) no loans made by the Company to the Vendor and/or any director of the Company and/or any person connected with any of them and such company has not been a party to any transaction whereby the Vendor and/or a director of the Company or a person connected with such director, acquires or is to acquire one or more non-cash assets at a value which is less than the fair market value thereof and such company has not entered into any guarantee or provided security in connection with a loan made to any of the substantial shareholders of the Company and/or a director of the Company or by any other person;
 - (b) no debts owing to the Company by the Vendor and/or any director of the Company and/or any such persons as aforesaid;
 - (c) Save as it is disclosed to the Purchaser before Completion, no debts owing to the Vendor and/or any director of the Company by the Company other than debts which have arisen in the ordinary course of business; and
 - (d) no securities for any such loans or debts as aforesaid.
- 16.5 Save as it is disclosed to the Purchaser before Completion, there are not outstanding, nor have there been during the last three years, any arrangements or understandings (whether legally binding or not) between a member of the Company and any person who is a shareholder, or the beneficial owner of any interest, in the Company or in any company in which the Company is interested, or any person connected with any such person, relating to the management of the Company's business, or the appointment or removal of directors of the Company, or the ownership or transfer of ownership or the letting of any of the assets of the Company, or the provision, supply or purchase of finance, goods, services or other facilities to, by or from the Company, or otherwise howsoever relating to its affairs.

17. GENERAL

- 17.1 The execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder will not result in the breach and/or cancellation and/or termination of any of the terms and conditions of or constitute a default under any agreement commitment or other instrument to which the Vendor or the Company are a party or by which the Vendor and the Company or their property or assets may be bound or affected or violate any law or any rule or regulation of any administrative agency or governmental body or any order, writ, injunction or decree of any court administrative agency or governmental body affecting the Vendor and the Company or any of the foregoing parties to this Agreement.
- 17.2 There are not any outstanding contracts of service with the Company's directors or employees which cannot be terminated by giving the contractual notice or (where not reduced to writing) by reasonable notice without giving rise to any claim for damages or compensation.
- 17.3 The Vendor and the Company have obtained all necessary consents, approvals, permits, authorisations from all third parties (including, without limitation, banks, customers, suppliers, business partners) in respect of the execution and delivery of this Agreement and the consummation of the transactions contemplated hereunder.
- 17.4 The Company has not either themselves or vicariously:-
- (a) committed any breach of any statutory provision, order, bye-law or regulation binding, upon them or of any provision of their memorandum of association or articles of association or bye-laws as of any trust deed, agreement or licence to which they are a party or of any covenant, mortgage, charge or debenture given by them;
 - (b) entered into any transaction which is still executory and which is or may be unenforceable by reason of the transaction being voidable at the instance of any other party or ultra vires, void or illegal; or
 - (c) omitted to do anything, required or permitted to be done by them necessary for the protection of their respective title to or for the enforcement or the preservation of any order or priority of any properties or rights owned by them.

EXECUTION PAGE

IN WITNESS whereof, the parties hereto have duly executed this Agreement the day and year first above written.

The Vendor

SIGNED by Jiang Xinrong)

For and on behalf of)

DL Global Holdings Limited)
in the presence of:-)

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The Purchaser

SIGNED by Ai Kuiyu)
For and on behalf of)
DL Asset Management Limited)
in the presence of:-)

