

DATED December 13, 2019

(1) **CENTURY SUNSHINE GROUP HOLDINGS LIMITED**
世紀陽光集團控股有限公司

-and-

(2) **MEGA PRIME DEVELOPMENT LIMITED**

DEED OF GUARANTEE

THIS DEED OF GUARANTEE (this "Deed") is made on December 13, 2019

BETWEEN

- (1) **CENTURY SUNSHINE GROUP HOLDINGS LIMITED** (世紀陽光集團控股有限公司), an exempt company with limited liability incorporated under the laws of the Cayman Islands with its registered office at Cricket Square, Hutchins Drive, P.O.Box 2681, Grand Cayman KY1-1111, Cayman Islands, whose ordinary shares are listed on the HKSE with stock code 509 (the "Guarantor"); and
- (2) **MEGA PRIME DEVELOPMENT LIMITED**, a company incorporated under the laws of the British Virgin Islands with its registered office at OMC Chambers, Wickhams Cay 1, Road Town, Tortola, the British Virgin Islands (the "Investor").

WHEREAS:

- (A) By a note purchase agreement (the "Note Purchase Agreement") dated December 13, 2019 and entered into by and among the Company (as defined below), the Investor and such other parties thereto (as may be amended, supplemented or otherwise modified from time to time), the Company has agreed to issue to the Investor, and the Investor has agreed to purchase from the Company a secured guaranteed note of an aggregate principal amount of HK\$100,000,000 due 2022, pursuant to the terms and subject to the conditions therein.
- (B) To guarantee the obligations of the Obligors (as defined in the Note Purchase Agreement) under the Transaction Documents (as defined under the Note Purchase Agreement), the Guarantor has agreed to enter into this Deed in favour of the Investor.
- (C) It is a condition precedent to the Investor completing the transactions contemplated under the Note Purchase Agreement that the Guarantor shall execute this Deed in favour of the Investor on or prior to the Closing Date (as defined in the Note Purchase Agreement). This Deed is executed by the Guarantor for good and valuable consideration (the sufficiency of which the Guarantor hereby agrees and acknowledges).

IT IS AGREED as follows:

1. Definitions and Interpretation

- 1.1. Except as otherwise provided in this Deed, terms and expressions defined in the Note Purchase Agreement shall have the same meanings when used in this Deed:

Company"

means Rare Earth Magnesium Technology Group Holdings Limited (稀鎂科技集團控

股有限公司), an exempted company incorporated with limited liability under the laws of the Bermuda with its registered office at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda, whose ordinary shares are listed on the HKSE with stock code 601.

“Documents” means, collectively, the Transaction Documents and “Document” means any one of them.

“Investor” has the meaning given to it in the Preamble.

“Note Purchase Agreement” has the meaning given to it in Recital A.

“Parties” means collectively, the parties to this Deed, and “Party” means either one of them.

“Security” means any mortgage, pledge, lien, charge, assignment by way of security, hypothecation, security interest, title retention, preferential right or trust arrangement or any other security agreement or arrangement having the effect of security granted in favour of the Investor pursuant to the Note Purchase Agreement.

“HKSE” means The Stock Exchange of Hong Kong Limited.

“Transfer” means, in relation to any share, a sale, transfer, assignment, creation of a trust or grant of an option over, or alienation of the right to exercise the vote attached to, pledge, hypothecation, or otherwise creation of or grant of any Encumbrance in relation to or over, the legal or beneficial ownership of, or economic interest therein (including any voting rights) or any right relating to, such share.

- 1.2. The “Guarantor”, the “Investor” or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees and, in the case of the Investor, each person which is for the time an Investor in accordance with the Documents.
- 1.3. The headings and subtitles used in this Deed are used for convenience only and are not to be considered in construing or interpreting this Deed.
- 1.4. In this Deed, unless the context requires otherwise:

- (a) references to “Clauses” are references to Clauses of this Deed; references to sub-clauses are, unless otherwise stated, references to sub-clauses of the Clause;
- (b) references to the singular shall include the plural and vice versa and references to the masculine shall include the feminine or neuter and vice versa;
- (c) the term “or” is not exclusive;
- (d) the terms “herein”, “hereof”, and other similar words refer to this Deed as a whole and not to any particular section, subsection, paragraph, clause, or other subdivision;
- (e) the term “including” shall be construed to mean “including without limitation”;
- (f) the terms “shall”, “will”, and “agrees” are mandatory, and the term “may” is permissive;
- (g) the term “day” means “calendar day”;
- (h) references to “HK\$” and “HK Dollar” are to currency of the Hong Kong (and shall be deemed to include reference to the equivalent amount in other currencies);
- (i) a “person” means any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity and to that person’s legal personal representatives, successors and assigns;
- (j) references to “assets” include present and future properties, rights and assets of every description;
- (k) references to “indebtedness” include any obligation (whether incurred as principal or as surety) for the payment or repayment of money borrowed, whether present or future, actual or contingent, secured or unsecured or otherwise, and whether given as principal, surety or otherwise;
- (l) references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification);
- (m) references to any document are to be construed as references to such document as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time;
- (n) a reference to a legal term for a legal document, court, judicial process, action, remedy, legal status, official or any other legal concept, in

respect of a jurisdiction other than Hong Kong, shall be deemed to be a reference to whatever most closely equates to the Hong Kong legal term in that jurisdiction; and

- (o) the Recitals to this Deed form part of it and shall have the same force and effect as if expressly set out in the body of this Deed.
- 1.5. If the Investor considers that an amount paid by any Obligor to the Investor under a Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Deed.
- 1.6. The Parties intend that this Deed shall take effect as a deed notwithstanding the fact that a Party may only execute this Deed under hand.
- 1.7. Notwithstanding any terms of this Deed:
- (a) the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) shall not apply to this Deed and, unless specifically provided herein, no Person other than the Parties shall have any rights under it nor shall it be enforceable by any Person other than the Parties; and
 - (b) the consent of any third party is not required for any variation to (including any release or compromise of any liability under) or termination of this Deed.
- 1.8. Save as expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the laws of Hong Kong) to enforce or enjoy the benefit of any term of this Deed. Notwithstanding any term of this Deed, the consent of any person who is not a Party is not required to rescind or vary this Deed at any time.

2. Guarantee

- 2.1. The Guarantor hereby irrevocably, absolutely and unconditionally:
- 2.1.1. guarantees to the Investor the due and punctual observance and performance by the Company of all of its obligations under the Note and agrees to pay to the Investor from time to time, upon demand by the Investor, any and all sums of money which the Company is at any time liable, or expressed to be liable, to pay to the Investor under the Note, and which have become, or are expressed to have become, due and payable but have not been paid at the time such demand is made as if it was the principal obligor in respect to that amount;
 - 2.1.2. agrees as a primary obligation to indemnify the Investor from time to time, upon demand by the Investor, from and against any loss incurred by the Investor as a result of any of the obligations of the Company under the Note being or becoming void, voidable, illegal, invalid, unenforceable or ineffective as against the Company for any reason

whatsoever, whether or not known to the Investor or any other Person, the amount of such loss being the amount which the Investor would otherwise have been entitled to recover from the Company; and

2.1.3. agrees with the Investor that if, for any reason, any amount claimed by the Investor under this Clause is not recoverable from the Guarantor on the basis of a guarantee then the Guarantor will be liable as a principal debtor and primary obligor to indemnify the Investor in respect of any loss the Investor incurs as a result of all or any of the Obligors failing to pay any amount expressed to be payable by it under a Document on the date when it ought to have been paid. The amount payable by the Guarantor under this indemnity will not exceed the amount it would have had to pay under this Clause had the amount claimed been recoverable on the basis of a guarantee.

2.2. This Deed is a continuing guarantee and will extend to the ultimate balance of all sums payable by the Company under the Note regardless of any intermediate payment or discharge in whole or in part.

3. Preservation of Rights

3.1. The obligations of the Guarantor contained in this Deed shall be in addition to and independent of (a) every other security or guarantee which the Investor may at any time hold in respect of any and all of the Obligors' obligations under the Documents and/or (b) every other source of funding (including without limitation by way of equity contribution) that the Obligors may have.

3.2. Neither the obligations of the Guarantor contained in this Deed nor the rights, powers and remedies conferred in respect of the Guarantor upon the Investor by this Deed or by Law shall be discharged, impaired or otherwise affected by:

3.2.1. the bankruptcy, winding-up, dissolution, administration or reorganisation of any Obligor (as the case may be) or any other Person or any change in its/his status, function, control or ownership;

3.2.2. any of the obligations of all or any of the Obligors under any or all of the Documents or under any other security or guarantee relating to any Document being or becoming void, illegal, invalid, unenforceable or ineffective in any respect;

3.2.3. any indulgence being granted or agreed to be granted to all or any of the Obligors in respect of any of their respective obligations under any Document or under any other security or guarantee;

3.2.4. any amendment (however fundamental and whether or not more onerous) to, or any variation, waiver or release of, any obligation of all or any of the Obligors under any Document or under any other security or guarantee;

3.2.5. any failure to take or perfect, or fully to take or perfect, any security contemplated by any Document or otherwise agreed to be taken in

respect of the obligations of all or any of the Obligors under any Document;

3.2.6. any failure to realise or fully to realise the value of, or any release, discharge, exchange or substitution of, any security taken in respect of the obligations of all or any of the Obligors under any Document;

3.2.7. any incapacity or lack of power, authority or legal personality of or change in the status of all or any of the Obligors or any other Person;

3.2.8. any claim or set-off right that the Guarantor may have; or

3.2.9. any other act, event or omission which, but for this Clause 3.2, might operate to discharge, impair or otherwise affect any of the obligations of the Guarantor contained in this Deed or any of the rights, powers or remedies conferred upon the Investor by any or all of the Documents, this Deed or by Law.

3.3. Any settlement, discharge or waiver given by the Investor to the Guarantor in respect of the Guarantor's obligations under this Deed, or any release of the Guarantor from any of its obligations under this Deed, shall be, and be deemed always to have been, void if any act, receipt or recovery on the faith of which the Investor gave the Guarantor that settlement, discharge or waiver, or based on which such release is made or occurs, is subsequently avoided (in whole or in part) by or in pursuance of any provision of Law. Without prejudice to the foregoing, if any payment by or recovery from all or any of the Obligors or any release or discharge given by the Investor (whether in respect of the obligations of such Obligor or any security for those obligations or otherwise) under or in connection with any Document is avoided or reduced or (in the case of a payment by or recovery from such Obligor) is otherwise required to be refunded as a result of insolvency or any similar event or for any other reason:

3.3.1. the liabilities of the Guarantor under this Deed shall continue as if such payment, recovery, release or discharge had not occurred; and

3.3.2. the Investor shall be entitled to receive and recover payments from the Guarantor under this Deed as if such payment, recovery, release or discharge had not occurred.

3.4. The Guarantor waives any right it may have of first requiring the Investor (or any trustee or agent on its behalf) to proceed against or enforce any other rights or Security or claim payment from any person before claiming from the Guarantor under this Deed. The Investor shall not be obliged before exercising any of the rights, powers or remedies conferred upon it in respect of the Guarantor by this Deed or by Law:

3.4.1. to make any demand of all or any of the Obligors or any other Person;

3.4.2. to take any action or obtain judgment in any court against all or any of the Obligors or any other Person;

- 3.4.3. to make or file any claim or proof in a winding-up or dissolution of all or any of the Obligors or any other Person; or
 - 3.4.4. to enforce or seek to enforce any security taken in respect of any of the obligations of all or any of the Obligors under any Document.
- 3.5. The Guarantor agrees that for all times until the Investor has confirmed in writing to the Guarantor that all amounts which may be or become payable by the Obligors under or in connection with the Documents have been irrevocably paid in full, the Guarantor shall not exercise any rights which the Guarantor may at any time have by reason of performance by it of its obligations under this Deed:
- 3.5.1. to be indemnified by all or any of the Obligors or to receive any collateral from such Obligor;
 - 3.5.2. to claim any contribution from the Obligors or the Obligors' obligations under any or all of the Documents;
 - 3.5.3. to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Investor under any Document or of any other security taken pursuant to, or in connection with, any Document by the Investor;
 - 3.5.4. to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under Clause 2 (*Guarantee and Indemnity*);
 - 3.5.5. to exercise any right of set-off against any Obligor; and/or
 - 3.5.6. to claim or prove as a creditor of any Obligor in competition with the Investor.
- If the Guarantor receives any benefit, payment or distribution in relation to such rights it shall:
- (i) hold that benefit, payment or distribution, to the extent necessary to enable all the obligations guaranteed by the Guarantor under Clause 2 (*Guarantee and Indemnity*) to be repaid in full on trust for the Investor; and
 - (ii) promptly pay or transfer the same to the Investor or as the Investor may direct for application in or towards discharge of any such obligations guaranteed by the Guarantor Clause 2 (*Guarantee and Indemnity*).
- 3.6. The Guarantor agrees that for all times until the Investor has confirmed in writing to the Guarantor that all amounts which may be or become payable by the Obligors under or in connection with the Documents have been irrevocably paid in full, the Investor may:

- 3.6.1. refrain from applying or enforcing any other moneys, security or rights held or received by the Investor in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and
- 3.6.2. hold in a suspense account any moneys received from the Guarantor or on account of the Guarantor's liability under this Deed.

4. Representations and Warranties

4.1. The Guarantor hereby represents and warrants to the Investor that:

- 4.1.1. it is duly incorporated, validly existing, in good standing and solvent under the Laws of the Cayman Islands, and has full power, authority and legal right to own its property and assets and to carry on its business as now conducted, and is duly authorised and qualified to transact business in each jurisdiction in which it operates;
- 4.1.2. it has full power, authority and legal capacity to enter into, execute and deliver this Deed and each other Document to which it is a party, and to undertake, perform, discharge, observe and comply with all its obligations and liabilities under this Deed and each other Document to which it is a party and the transactions contemplated hereunder and thereunder;
- 4.1.3. the entry into, execution, delivery and performance by it of this Deed and each other Document to which it is a party and the transactions contemplated hereunder and thereunder do not and will not:
 - (a) contravene any of its constitutional documents;
 - (b) violate, conflict with or result in any breach of any of its agreements or obligations to any Person (including without limitation, under any contract, security document, undertaking, agreement, instrument or otherwise binding upon it or any of its assets) or any Approval directly relating to it;
 - (c) result in the creation of or oblige it to create any Encumbrance over all or any of its assets; or
 - (d) violate, conflict with or result in any breach of any Laws applicable to it;
- 4.1.4. no corporate action nor have any other steps been taken by it, no order has been made or resolution has been passed for, no legal proceedings have been started or (to the best of its knowledge and belief) threatened against it, and no petition, application or the like is outstanding for its winding-up or for the appointment of a receiver, administrator, administrative receiver, trustee, nominee or similar officer of it or of any or all of its assets or revenues and no other steps which are similar or which would have a similar effect have been taken in the Cayman

Islands or any other relevant jurisdiction

4.1.5. each of the obligations expressed to be assumed by it in this Deed and each other Document to which it is a party is legal, valid, binding and enforceable obligations and no limit on its powers or the powers of its directors will be exceeded as a result of the performance by it of any of its obligations hereunder or thereunder;

4.1.6. all Approvals required or desirable:

(a) for or in connection with the execution, validity, performance and enforcement of this Deed and each other Document to which it is a party;

(b) for it to enter into, exercise its rights and comply with or perform its obligations in this Deed and each other Document to which it is a party and the transactions contemplated hereunder or thereunder; and

(c) to make this Deed and each other Document to which it is a party admissible in evidence in Hong Kong or the Cayman Islands or any other relevant jurisdiction;

have been duly obtained and/or effected and are in full force and effect;

4.1.7. the choice of Hong Kong Law as the governing law of this Deed and any judgment of any court obtained in Hong Kong will be recognised and enforced in the Cayman Islands or any other relevant jurisdiction;

4.1.8. it is not necessary that this Deed and each other Document to which it is a party be filed, recorded or registered with any court or other authority in Hong Kong or the Cayman Islands or any other relevant jurisdiction, or that any stamp, registration or similar Tax be paid on or in relation to this Deed and each other Document to which it is a party or the transactions contemplated hereunder or thereunder, except that Cayman Islands stamp duty may be applicable if this Deed or each other Document to which it is a party is executed in, brought to or produced before a court of the Cayman Islands;

4.1.9. all information (including, without limitation, information provided through e-mail) supplied by or on behalf of it to the Investor (or any adviser or representative of the Investor) is true, complete and accurate as at the date it was given and is not misleading in any respect, and it does not omit to state any fact that is necessary to make the statements contained in such information not misleading in the light of the circumstances under which the statements contained in such information were made;

4.1.10. it has complied in all respects with all applicable Laws (including the Listing Rules);

4.1.11. its payment obligations under this Deed and each other Document to

which it is a party rank at least *pari passu* with the claims of all of its other present and future unsubordinated and unsecured creditors, except for obligations mandatorily preferred by applicable Laws;

- 4.1.12. no litigation, arbitration, administrative proceedings or investigations had commenced and is continuing or is pending or, to the best knowledge of the Guarantor, has been threatened against it or its assets;
- 4.1.13. in any proceedings taken in Hong Kong or the Cayman Islands or any other relevant jurisdiction in relation to this Deed and each other Document to which it is a party, neither it nor any of its assets are entitled to any immunity or privilege (sovereign or otherwise) from any suit, set of, judgment, execution, attachment or other legal process;
- 4.1.14. its shares are listed and traded on the Main Board of the HKSE (save for any temporary suspension of trading for not more than ten (10) consecutive Exchange Business Days);
- 4.1.15. its entry into, execution, delivery and performance of this Deed and each other Document to which it is a party and the transactions contemplated hereunder and thereunder constitutes, and its exercise of its rights and performance of its obligations hereunder and thereunder will constitute, private and commercial acts done and performed for private and commercial purposes;
- 4.1.16. it is able to meet its obligations and pay its debts as they fall due, it does not admit and has not admitted any inability to pay its debts as they fall due and it has not suspended making payments on any of its debts;
- 4.1.17. it has not by reason of actual or anticipated financial difficulties commenced, and does not intend to commence, negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness, and no moratorium has been, or may in the reasonably foreseeable future be, declared in respect of any of its indebtedness;
- 4.1.18. the fair value of its assets is not less than its liabilities (taking into account contingent and prospective liabilities);
- 4.1.19. its:
 - (a) irrevocable submission under this Deed and each other Document to which it is a party to the jurisdiction of the courts of Hong Kong,
 - (b) agreement that this Deed and each other Document to which it is a party is governed by Hong Kong Law, and
 - (c) agreement not to claim any immunity to which it or its assets may be entitled,

are legal, valid, binding and enforceable under the Laws of Hong Kong and the Cayman Islands and/or jurisdictions where its assets are situated; and

- 4.2. All the representations and warranties in this Clause 4 are made or deemed to be made by the Guarantor to the Investor on the date of this Deed and on each day up to and including the date on which all the obligations of the Company under the Note have been fully performed and discharged.
- 4.3. Each representation and warranty deemed to be made after the date of this Deed shall be deemed to be made by reference to the facts and circumstances existing as at the date on which such representation or warranty is deemed to be made (except that, for the avoidance of doubt, any representation or warranty that is expressed to be made by reference to the facts and circumstances existing as at a specific date or a specific period shall be made by reference to the facts and circumstances existing as at such specific date or specific period).

5. Undertakings

Until such time as the Investor has confirmed to the Guarantor in writing that any and all amounts which are or may become due to the Investor from the Obligors under all of the Documents have been paid in full, the Guarantor shall comply with the undertakings set out in this Clause 5.

- 5.1. The Guarantor shall promptly supply to the Investor (or procure the supply of) such information regarding its financial condition as the Investor may from time to time reasonably request.
- 5.2. The Guarantor shall ensure that its shares shall remain listed and traded on the HKSE and the trading of such shares on the HKSE will not be suspended or halted for more than ten (10) consecutive Exchange Business Days.
- 5.3. If there is:
 - 5.3.1. any introduction of or any change in (or in the interpretation, administration or application of) any Law or regulation made after the date of this Deed;
 - 5.3.2. any change in the status of the Guarantor or any of the Obligors or the composition of the shareholders, members or investors of the Guarantor or any of the Obligors (as the case may be), after the date of this Deed; or
 - 5.3.3. a proposed assignment or transfer by the Investor of any of its rights and/or obligations under any Document which obliges the Investor (or any prospective assignee or transferee of the Investor) to comply with any "know your customer", anti-money laundering or similar identification procedures in circumstances where the necessary information is not already available to it,

the Guarantor shall promptly upon the request of the Investor (or any

prospective assignee or transferee of the Investor) supply, or procure the supply of, such documentation and other evidence as is requested by the Investor (or any prospective assignee or transferee of the Investor) in order for the Investor (or any prospective assignee or transferee of the Investor) to carry out and be satisfied with the results of all necessary “know your client”, anti-money laundering and/or other similar checks under all applicable Laws and regulations in connection with any or all of the Documents and/or the transactions contemplated thereunder.

- 5.4. The Guarantor shall promptly (a) obtain, comply with the terms and conditions of, and do all that is necessary to maintain in full force and effect, any Approval as is required under any Law of Hong Kong and/or the Cayman Islands or any other relevant jurisdiction to enable it to perform its obligations under this Deed and each other Document to which it is a party and/or to ensure the legality, validity, enforceability or admissibility in evidence in Hong Kong and/or the Cayman Islands or any other relevant jurisdiction of this Deed and each other Document to which it is a party, and (b) upon request by the Investor, supply certified true copies to the Investor of any such Approval.
- 5.5. The Guarantor shall ensure that at all times its payment obligations under this Deed rank at least *pari passu* with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by applicable Laws.

6. Payments

- 6.1. All payments to be made by the Guarantor to the Investor under this Deed shall be made free and clear of and without deduction for or on account of Tax unless the Guarantor is required to make such payment subject to the deduction or withholding of Tax, in which case the sum payable by the Guarantor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Investor shall receive and retain (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.
- 6.2. On each date on which the Guarantor is required to make a payment under this Deed, the Guarantor shall make the same available to the Investor for value on the due date and in cleared HK Dollar funds. Payment shall be made to such account in such jurisdiction with such bank as the Investor may specify from time to time.
- 6.3. All payments to be made by the Guarantor under this Deed shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.
- 6.4. Without prejudice to Clause 6.1, Clause 6.2, and Clause 6.3, if the Investor is required to make any payment of or on account of Tax on or in relation to any sum received or receivable under this Deed (including any sum deemed for

purposes of Tax to be received or receivable by the Investor whether or not actually received or receivable) or if any liability in respect of any such payment is asserted, imposed, levied or assessed against the Investor, the Guarantor shall, within three (3) Business Days of demand of the Investor, promptly indemnify the Investor which suffers a loss or liability as a result against such payment or liability, together with any interest, penalties, costs and expenses payable or incurred in connection therewith.

7. Currency Conversion and Indemnities

- 7.1. The Investor may convert any money received or realised by it under or pursuant to this Deed which is not in HK Dollars from that currency into HK Dollars at the spot rate of exchange available to the Investor for the time being for such conversion.
- 7.2. If any sum due from the Guarantor under this Deed or any order, judgment or award given or made in relation to this Deed has to be converted from the currency (the “first currency”) in which the same is payable under the Deed or under such order, judgment or award into another currency (the “second currency”) for the purpose of (a) making or filing a claim or proof against the Guarantor (b) obtaining an order, judgment or award in any court or other tribunal or (c) enforcing any order, judgment or award given or made in relation to this Deed, the Guarantor shall indemnify and hold harmless the Investor from and against any loss it suffers or incurs as a result of any discrepancy between (i) the rate of exchange used for such purpose to convert the sum in question from the first currency into the second currency and (ii) the rate or rates of exchange at which the Investor may in the ordinary course of business purchase the first currency with the second currency upon receipt of a sum paid to it in satisfaction, in whole or in part, of any such order, judgment, claim or proof.
- 7.3. Within three (3) days of making any deduction or withholding for or on account of Tax from a payment under this Deed or any payment required in connection with such deduction or withholding, the Guarantor shall deliver to the Investor an original receipt (or a certified true copy thereof) satisfactory to the Investor that such deduction or withholding has been made or (as applicable) any appropriate payment has been paid to the relevant taxing authority.
- 7.4. Neither of the Investor nor any of its Affiliates nor any of their respective agents, attorneys, officers, directors, employees, advisors, heirs, executors, administrators, successors or assigns shall have any liability to the Guarantor or be responsible to the Guarantor for (whether under contract, tort, any other theory of liability or otherwise) any special, indirect, consequential or punitive losses or damages incurred or suffered by the Guarantor, any Obligor, or any of their respective agents, attorneys, officers, directors, employees, advisors, heirs, executors, administrators, successors or assigns under or in connection with any Document or any transaction contemplated thereby, whether or not such party shall have been advised of the likelihood of such loss or damage; and the Guarantor hereby waives, releases and agrees not to sue upon any claim for any such loss or damage, whether or not accrued and whether or not

known or suspected to exist in its favour. Such Affiliates of the Investor, and the agents, attorneys, officers, directors, employees, advisors, heirs, executors, administrators, successors and assigns of the Investor and Affiliates of the Investor may rely on this Clause 7.4.

8. Continuing Security

The obligations of the Guarantor contained in this Deed shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever, and shall not be considered satisfied by any intermediate payment or satisfaction of any of the obligations of all or any of the Obligors under any of the Documents and shall continue in full force and effect until the Investor has confirmed in writing to the Guarantor that all amounts owing by any or all of the Obligors under any or all of the Documents have been paid in full.

9. Application of Proceeds

All monies received or recovered by the Investor under or pursuant to this Deed (including the proceeds of any conversion of currency) may, subject to Clause 3.5.3, be applied towards the satisfaction and/or discharge of any or all of the obligations of the Obligors and/or the Guarantor under the Documents in such manner and in such order as the Investor may think fit. Such application shall override any application by the Guarantor.

10. Set-Off

The Investor may set off any matured obligation due from the Guarantor under this Deed against any matured obligation owed by the Investor to the Guarantor, regardless of the place of payment, booking branch or currency of either obligation. If such obligations are in different currencies, the Investor may convert either obligation at a market rate of exchange in its usual course of business for the purpose of such set-off.

11. Notices

11.1. Any notice required or permitted pursuant to this Deed shall be given in writing and shall be given either personally or by sending it by next-day or second-day courier service, fax or similar means to the address or fax number of the relevant Party as provided in Clause 11.3 (or at such other address as such Party may designate by five (5) Business Days' advance written notice to the other Party given in accordance with this Clause 11).

11.2. Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered (a) if delivered by hand, at the time of delivery; (b) if sent by pre-paid post, on the fourth (4th) Business Day after the time of posting; (c) if given or made by fax, immediately after it has been dispatched with a confirmation that all pages have been transmitted except where dispatch is not on a Business Day; and (d) if sent by e-mail, immediately after it has been dispatched from the sender's outbox, except where dispatch is not on a Business Day. If a communication would otherwise be deemed to have been delivered outside normal business hours (after 5:30

p.m. on a Business Day) in the time zone of the territory of the recipient, it shall be deemed to have been delivered at 9:30 a.m. on the next Business Day in the territory of the recipient. In proving service of a communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a prepaid letter or that the facsimile transmission was dispatched and a confirmatory transmission report or other acknowledgment of good receipt was received.

- 11.3. The addresses, e-mail addresses and fax numbers for service of a notice in connection with this Deed are:

To the Guarantor:

Address: Suite 1104, 11th Floor, Tower 6, The Gateway, 9 Canton Road,
Tsim Sha Tsui, Kowloon, Hong Kong

Attn: Shum Sai Chit

To the Investor:

Address: Rm 06-10,38/F., China Resources Building,
26 Harbour Road, Wanchai, Hong Kong

Attention: Wang Jianping

12. Costs, Expenses and Stamp Duty

- 12.1. The costs and expenses incurred by each of the Parties in connection with this Deed shall be borne by the Guarantor.
- 12.2. The Guarantor shall indemnify the Investor upon demand for any cost, loss or liability which the Investor incurs in relation to any or all stamp duty, registration and/or other similar Taxes payable in respect of this Deed.

13. Successors and Assigns

This Deed shall be binding upon and enure to the benefit of each Party hereto and its/ his successors. The Guarantor may not assign or transfer any of its rights, benefits, duties or obligations hereunder without the prior written consent of the Investor. The Investor may assign or transfer any of its rights, benefits, duties or obligations hereunder, and the Guarantor shall upon the request of the Investor (or any prospective assignee or transferee of the Investor) execute and deliver such documents and take such actions as may be required by the Investor (or any prospective assignee or transferee of the Investor) to effect such assignment or transfer.

14. Severability

If one or more provisions of this Deed are held to be unenforceable under applicable Law, such provision shall be excluded from this Deed and the balance of the Deed shall be interpreted as if such provision were so excluded and shall be enforceable in

accordance with its terms.

15. Amendments and Waivers

15.1. Any provision of this Deed may be amended and the observance of any term of this Deed may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of each Party; provided that each Party may waive any of its/his rights hereunder without the consent of the other Party. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each of the Parties.

1.5. Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof will not be deemed a waiver of such term, covenant, or condition, nor will any waiver or relinquishment of, or failure to insist upon strict compliance with, any right, power or remedy hereunder at any one or more times be deemed a waiver or relinquishment of such right, power or remedy at any other time or times.

16. Governing Law and Jurisdiction

16.1. This Deed shall be governed by and construed in accordance with the Laws of Hong Kong without regard to any conflict of laws principles which may exclude the Laws of Hong Kong.

16.2. Each Party agrees that any legal action or proceeding arising out of or relating to this Deed may be brought in the courts of Hong Kong and irrevocably submits to the non-exclusive jurisdiction of such courts, provided that the Guarantor agrees that it may only commence proceedings arising out of or relating to this Deed in the courts of Hong Kong.

16.3. Nothing herein shall limit the right of the Investor to commence any legal action against the Guarantor and/or its property in any other jurisdiction or to serve process in any manner permitted by Law, and the taking of proceedings in any jurisdiction shall not preclude the taking of proceedings in any other jurisdiction whether concurrently or not.

16.4. The Guarantor irrevocably and unconditionally waives any objection which it may now or hereafter have to the choice of Hong Kong as the venue of any legal action arising out of or relating to this Deed and any claim that any such legal action has been brought in an inconvenient or inappropriate forum. The Guarantor also agrees that a final judgment against the Guarantor in any such legal action shall be final and conclusive and may be enforced in any other jurisdiction, and that a certified or otherwise duly authenticated copy of the judgment shall be conclusive evidence of the fact and amount of its indebtedness.

16.5. The Guarantor consents generally in respect of any proceedings to the giving of any relief or the issue of any process in connection with such proceedings including the making, enforcement or execution against any property whatsoever (irrespective of its use or intended use) of any order or judgment which may be made or given in such proceedings.

16.6. To the extent that the Guarantor may now or hereafter be entitled, in any jurisdiction in which proceedings may at any time be commenced with respect to this Deed, to claim for itself or its assets any immunity (sovereign or otherwise) from suit, jurisdiction of any court, attachment prior to judgment, attachment in aid of execution of a judgment, execution of a judgment or from set off, banker's lien, counterclaim or any other legal process or remedy with respect to its obligations under this Deed and/or to the extent that in any such jurisdiction there may be attributed to the Guarantor, any such immunity (whether or not claimed), the Guarantor hereby, to the fullest extent permitted by applicable Law, irrevocably agrees not to claim, and hereby to the fullest extent permitted by applicable Law waive, any such immunity.

17. Independent Legal Advice

The Guarantor agrees and acknowledges that (a) it was afforded sufficient opportunity to obtain independent legal advice regarding this Deed and the transactions contemplated under the other Documents; and (b) it fully understands all of the terms, conditions, restrictions and provisions set forth in this Deed and the other Documents and the obligations and liabilities thereof, and that each such term, condition, restriction and provision is fair and reasonable with respect to the subject matter thereof.

18. No Presumption

The Parties agree and acknowledge that any applicable Law that would require interpretation of any claimed ambiguities in this Deed against the Party that drafted it has no application and is expressly waived. If any claim is made by a Party relating to any conflict, omission or ambiguity in the provisions of this Deed, no presumption or burden of proof or persuasion will be implied because this Deed was prepared by or at the request of any Party or its counsel.

19. Counterparts

This Deed may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Facsimile and e-mailed copies of signatures shall be deemed to be originals for purposes of the effectiveness of this Deed.

20. Effect of This Deed

The Parties intend this Deed to take effect as a deed, notwithstanding that the Investor has signed this Deed underhand.

(The remainder of this page is intentionally left blank.)

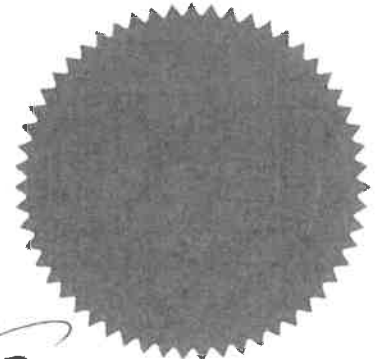
IN WITNESS WHEREOF this Deed has been executed as a deed by the Parties, and is intended to be delivered and is hereby delivered as a deed on the date first written above.

The Guarantor

EXECUTED AND DELIVERED AS A DEED by)
)

CENTURY SUNSHINE GROUP HOLDINGS LIMITED)
)
世紀陽光集團控股有限公司)

The Common Seal is affixed in accordance)
with its articles of association in the)
presence of:)
)



Signature of authorised person

Signature of authorised person

[Director]
Office held

Shum Sai Chit

Name of authorised person (block capitals)

Signature of witness

Signature of witness: _____

Name of witness: Luk Sai Wai Simon

Address: Suite 1104, 11th Floor Tower 6, The Gateway
9 Canton Road, Tsim Sha Tsui, Kowloon,

Occupation: Company Secretary


The Investor

EXECUTED AND DELIVERED AS A DEED by

(common seal)

MEGA PRIME DEVELOPMENT LIMITED

The Common Seal is affixed in accordance with its articles of association in the presence of:



Signature of authorised person

DIRECTOR

Office held

WANG JIANPING

Name of authorised person (block capitals)

Signature of witness: Wang Jianping

Name of witness: LI YAPENG

Address: RM 3806-10, 38/F CHINA RESOURCES BLDG 26 HARBOUR RD (HK)

Occupation: _____