

Dated 03 JUL 2018

- (1) **GROUP SENSE (INTERNATIONAL) LIMITED**
- (2) **CROYDON CAPITAL ADVISORS LIMITED**

SALE AND PURCHASE AGREEMENT

**of the entire issued share capital of
and corresponding shareholder's loan due by
GROUP SENSE (S.E.A.) LIMITED
and
GROUP SENSE INVESTMENT LIMITED**

REED SMITH RICHARDS BUTLER
20th Floor
Alexandra House
18 Chater Road
Hong Kong
Our Ref: DHO/AOKNG/373065.00004
ASIA_ACTIVE-805992761-373065-00004

THIS AGREEMENT dated

03 JUL

2018 is made

BETWEEN:-

- (1) **GROUP SENSE (INTERNATIONAL) LIMITED**, a company incorporated in Bermuda whose registered address is at Clarendon House, Church Street, Hamilton HM11, Bermuda and shares are listed on The Stock Exchange of Hong Kong Limited (stock code: 601) ("Vendor"); and
- (2) **CROYDON CAPITAL ADVISORS LIMITED**, a company incorporated in the British Virgin Islands whose registered address is at CCT Trustees Limited, Mandar House, 3rd floor, P.O. Box 2196, Johnson's Ghut, Tortola, VG1110, British Virgin Islands ("Purchaser").

The Purchaser and the Vendor are collectively referred to herein as "Parties".

WHEREAS:-

- (A) Each of Group Sense (S.E.A.) Limited ("GSSEA") and Group Sense Investment Limited ("GSIL") is a company incorporated in the BVI with an authorised share capital of US\$50,000 divided into 50,000 shares of US\$1.00 each, one share of which has been issued and is fully paid up and is legally and beneficially owned by the Vendor.
- (B) The Vendor has agreed to sell and the Purchaser has agreed to purchase, or procure the purchase of, the entire issued share capital in GSSEA and GSIL (collectively, the "Target Companies" and each a "Target Company", the particulars of which are set out in Part A of Schedule 1) and the Shareholder's Loans, subject to and upon the terms set out in this Agreement.

NOW IT IS HEREBY AGREED as follows:-

1. INTERPRETATION

1.1 In this Agreement and the recitals hereto, unless the context otherwise requires:

"Accounts" means the unaudited consolidated balance sheet and profit and loss account of the Group for the period from 1 January 2017 up to and including the Accounts Date, copies of which are attached to this Agreement as Appendix A;

"Accounts Date" means 31 December 2017;

"Business Day" means any day (other than a Saturday, a Sunday or a public holiday or a day on which a tropical cyclone warning No. 8 or above or a "black rainstorm warning signal" is hoisted in Hong

Kong at any time between 9:00 a.m. and 5:00 p.m.), on which banks are open for general banking business in Hong Kong;

“BVI”

means the British Virgin Islands;

“BVI Share Charges”

means the pro forma share charge substantially in the form set out in Schedule 7 to be given in favour of the Vendor by the Purchaser, GSSEA and Group Sense (Holding) Limited, being companies which will be wholly-owned by the Purchaser upon Completion over the Sale Shares and the entire issued share capital in Group Sense (Holding) Limited and Group Sense Manufactory Company Limited, respectively;

“Completion”

means the completion of this Agreement in accordance with Clause 4;

“Completion Date”

means the date fixed for completion pursuant to Clause 4.1 or, where the context so admits or requires, the performance by the parties hereto of their respective obligations under Clause 4;

“Condition Precedent”

means the condition precedent set out in Clause 3.1;

“Consideration”

means the consideration payable for the Sale Shares and the Shareholder’s Loans in accordance with Clause 2.2;

“Custody Letter”

means the letter to be signed by the Vendor, the Purchaser and 廣州中大訊通軟件科技有限公司 to record the custodian arrangement regarding the Title Documents;

“Deposit”

has the meaning ascribed to it under Clause 2.3(a);

“Encumbrance”

means lien, right of retention, charge, security interest and any other right, of third parties (whether or not ejusdem generis with any of the foregoing) but does not include any of the foregoing arising in the ordinary course of business without default;

“Facility Agreement”

means the facility agreement dated 10 March 2014 and as renewed on 26 May 2015 entered into between Group Sense Limited as borrower and DBS Bank (Hong Kong) Limited as lender

	with respect to the advance of facilities of up to HK\$24 million
“Group”	means the Target Companies and their respective Subsidiaries and “member of the Group” shall be construed accordingly;
“HK\$” and “cents”	means Hong Kong dollars and cents, respectively, the lawful currency of Hong Kong;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“HK Share Charges”	means the share charges substantially in the form set out in Part A and Part B of Schedule 6 to be given in favour of the Vendor by Group Sense Manufactory Company Limited and Group Sense (Holding) Limited, being companies which will be wholly-owned by the Purchaser upon Completion, over the entire issued share capital in Group Sense Manufactory Company Limited 權智製造有限公司 and Group Sense Limited 權智有限公司, respectively;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Vendor Guarantee”	means the guarantee provided by the Vendor in favour of DBS Bank (Hong Kong) Limited to secure the payment obligations of Group Sense Limited under the Facility Agreement;
“Long Stop Date”	means 31 March 2019 or such other date as the Vendor and the Purchaser may agree in writing;
“PRC”	means the People’s Republic of China;
“PRC Share Charges”	means the share charges to be given in favour of the Vendor by Group Sense Manufactory Company Limited 權智製造有限公司 and 東莞環亞高科電子有限公司, being companies which will be wholly-owned by the Purchaser upon Completion, over the entire equity interest or registered capital in 東莞環亞高科電子有限公司 and the 51% equity interest or registered capital in 廣東中大訊通軟件科技有限公司, respectively;

“PRC Mortgage”	means the mortgage over the Guangzhou Property to be given in favour of the Vendor by the legal owner of the Guangzhou Property, namely 廣東中大訊通軟件科技有限公司, being a company which will be owned as to 51% by the Purchaser upon Completion;
“Guangzhou Property”	means the properties represented by items numbered 4, 5, 8, 9, 10, 11, 14 and 15 set out in Part B of Schedule 4;
“Purchaser Warranties”	means the representations, warranties and undertakings on the part of the Purchaser contained in Schedule 3 and “Purchaser Warranty” means any one of them;
“RMB”	means Renminbi, the lawful currency of the PRC;
“Sale Shares”	means the entire issued share capital of the Target Companies;
“Security Documents”	collectively, the Custody Letter, the HK Share Charges and the BVI Share Charges;
“Shareholder’s Loans”	means the total amount outstanding and owing as at Completion by the Target Companies to the Vendor;
“Shareholder’s Loan Assignment”	means the deed of assignment of the Shareholder’s Loans substantially in the form set out in Schedule 8;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“Subsidiary”	means, in respect of any company, a company which is for the time being and from time to time a subsidiary (within the meaning of section 2 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) and the Listing Rules) of that company;
“Tax(es)”	includes all forms of tax, levy, duty, charge, impost, fee, deduction or withholding of any nature now or hereafter imposed, levied, collected, withheld or assessed by any taxing or other authority and includes any interest, additional tax, penalty or other charge payable or

claimed in respect thereof (including without limitations to withholding and such other taxes);

“Tax
Announcement 7”

means the announcement titled “Announcement of the PRC State Administration of Taxation Concerning Several Matters Relating to Corporate Income Tax on Indirect Transfer of Assets by Non-Resident Enterprises”, 国家税务总局公告2015年第7号, and as may be further amended or supplemented and including any similar or replacement law on the tax treatment of offshore indirect transfer of companies established in the PRC or real estate located in the PRC, including but not limited to any applicable law in the PRC against the avoidance of PRC Tax;

“Title Documents”

means the title documents with respect to the Guangzhou Property;

“Vendor Warranties”

means the representations, warranties and undertakings on the part of the Vendor contained in Schedule 2 and “Vendor Warranty” means any one of them;

- 1.2 The expressions “Target Company”, “Vendor” and “Purchaser” shall where the context permits include their respective successors and permitted assigns and any persons deriving title under them.
- 1.3 In this Agreement, unless the context requires otherwise, references to statutory provisions shall be construed as references to those provisions as replaced, amended, modified or re-enacted from time to time; terms importing the singular number only include the plural and vice versa and terms importing persons include firms and corporations and terms importing genders or the neuter only include both genders and the neuter; references to this Agreement shall be construed as references to such document as the same may be amended or supplemented from time to time; unless otherwise stated, references to “Clauses” and “Schedules” are to clauses of and Schedules to this Agreement. Clause headings and the table of contents are inserted for reference only and shall be ignored in construing this Agreement.
- 1.5 Any reference in this Agreement to any matter being “to the satisfaction of the Vendor” or any matter requiring the consent or approval of the Vendor, shall be construed to mean that the Vendor may make such determination as it may in its sole discretion see fit, on the basis that the transactions under this Agreement is structured for the acquisition of the Group on the basis that other than trade payables arising in the ordinary and usual course of business of each member of the Group, each of the members of the Group will be free of liabilities (whether or not such liabilities on or off balance sheet) and Encumbrances.

- 2.1 Subject to fulfilment of the Condition Precedent and the terms and conditions of this Agreement,
- (a) the Vendor shall, as legal and beneficial owner, sell to the Purchaser and the Purchaser shall purchase or procure its nominee to purchase from the Vendor the Sale Shares free from Encumbrances but together with all rights attached, accrued or accruing thereto as at the Completion Date and together with all dividends and distributions declared made or paid or agreed to be made or paid thereon or in respect thereof on or after the Completion Date; and
 - (b) the Vendor shall, as legal and beneficial owner, sell and assign to the Purchaser and the Purchaser shall purchase and take an assignment from the Vendor of the Shareholder's Loans free from Encumbrances.
- 2.2 The aggregate Consideration for the sale of the Sale Shares and the Shareholder's Loans shall be HK\$70 million.
- 2.3 The Consideration shall be paid or satisfied in cash on the following dates:-
- (a) on the date of this Agreement, as to 20% (i.e. HK\$14 million) as deposit ("Deposit") which may be forfeited by the Vendor in accordance with Clause 3.3 and which shall be applied in and towards part payment of the Consideration at Completion; and
 - (b) on or before 31 March 2019, as to 80% (i.e. HK\$56 million).

3. CONDITION PRECEDENT

- 3.1 The obligations of the parties hereto to effect Completion shall be conditional upon the consent of DBS Bank (Hong Kong) Limited as lender in the Facility Agreement to the release of the Vendor Guarantee.
- 3.2 Each of the Purchaser and the Vendor shall use its best endeavours to procure the fulfilment of the Condition Precedent in Clause 3.1. If the Condition Precedent is not fulfilled on or before the Long Stop Date, the rights and obligations of the Parties shall lapse and be of no further effect except for antecedent breach of any obligations of any parties hereto and save that the Deposit referred to in Clause 2.3(a) shall be forfeited by the Vendor within 5 Business Days after the earlier of (i) the date on which the Purchaser notifies the Vendor that the condition set out in Clause 3.1 is not capable of being fulfilled and (ii) the Long Stop Date.

4. COMPLETION

- 4.1 Completion of this Agreement shall take place at or before 6 p.m. on the 5th Business Day (or such other date as may be agreed between the Vendor and the Purchaser in writing) after the Condition Precedent in Clause 3.1 having been fulfilled and on condition that such Condition Precedent shall remain fulfilled and satisfied on

Completion, at Suite 1105, 11th Floor, Tower 6, The Gateway, 9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong or such other place as may be mutually agreed by the Parties.

4.2 At Completion all (but not some only) of the following business shall be transacted:-

(a) the Vendor shall deliver to the Purchaser:-

- (i) certified true copies of resolutions passed by its directors approving this Agreement and the performance by it of its obligations hereunder;
- (ii) instrument(s) of transfer in respect of the Sale Shares duly executed by the Vendor in favour of the Purchaser and/or its nominee;
- (iii) counterpart of each Security Documents to which the Vendor is party;
- (iv) each of the Shareholder's Loan Assignment duly executed by the Vendor in favour of the Purchaser and/or its nominee(s) together with all documents (if any) referred to therein to be delivered immediately after the execution thereof;
- (v) all existing share certificate(s) in respect of the Sale Shares in the name of the Vendor for cancellation;
- (vi) share certificate(s) in the name of the Purchaser (or its nominee) in respect of the Sale Shares;
- (vii) save for the Title Documents, in respect of each member of the Group, all statutory and corporate books, records and registers, certificates of incorporation, company chops, common seals, the memorandum and articles of association or other constitutional documents, all unissued share certificates, cheque books, accounting and other books and financial records, business licences, current contracts and all original leases;
- (viii) (if applicable) certified true copies of any power of attorney or other authority pursuant to which this Agreement and any document referred to above may have been executed and such other documents as the Purchaser may require to give good title to the Sale Shares to enable the Purchaser or such party as it nominates to be registered as the holders of the Sale Shares;
- (ix) certificates of incumbency in relation to each of the Target Companies issued by its registered agents and certificates of good standing in relation to such Target Company, both dated not more than a month before the date of this Agreement;
- (x) certified true copies of resolutions of the board of directors of each of the Target Companies approving the following:-

- (1) the transfer in respect of the relevant Sale Shares in favour of the Purchaser (or its nominee(s));
 - (2) the issue of new share certificate(s) in respect of the relevant Sale Shares in favour of the Purchaser (or its nominee(s)); and
 - (3) the registration of the Purchaser (or its nominee(s)) as the registered holder(s) of the relevant Sale Shares;
- (b) the Purchaser shall deliver to the Vendor:-
 - (i) certified true copies of resolutions passed respectively by its directors and shareholder(s) approving this Agreement and the performance by it of its obligations hereunder;
 - (ii) instrument(s) of transfer in respect of the Sale Shares executed by the Purchaser and/or its nominee(s);
 - (iii) counterpart of each Security Documents to which the Purchaser and the relevant member of the Group is party as the chargor;
 - (iv) a counterpart of the Shareholder's Loan Assignment executed by the Purchaser and/or its nominee(s) and each of the Target Companies.

5. VENDOR'S REPRESENTATIONS AND WARRANTIES

- 5.1 The Vendor represents, warrants and undertakes to the Purchaser that as at the date of this Agreement and as at Completion, the representations and warranties set out in Schedule 2 are true, accurate and not misleading in all material respects.

6. PURCHASER'S REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 6.1 The Purchaser hereby represents, warrants and undertakes to the Vendor that as at the date of this Agreement and as at Completion, the representations and warranties set out in Schedule 3 are true, accurate and not misleading;
- 6.2 The Purchaser acknowledges that the Vendor has entered into this Agreement in reliance on each of the Purchaser Warranties and none of the Purchaser Warranties shall be limited or restricted by reference to or inference from the terms of any other Purchaser Warranties.
- 6.3 The Purchaser shall indemnify and keep indemnified the Vendor and/or its nominee from and against all losses, liabilities, damages, costs, expenses, actions or proceedings sustained or incurred or brought by or against the Vendor and/or its nominee as a result of or arising from any breach of this Agreement, including but not limited to any of the Purchaser Warranties and the obligation to pay the relevant Taxes in full pursuant to the Tax Announcement 7.

- 6.4 Each of the Purchaser Warranties shall be separate and independent and shall not be limited by reference to or inference from any other Purchaser Warranty or anything in this Agreement.
- 6.5 The Purchaser shall procure that (save only as may be necessary to give effect to this Agreement and the transactions contemplated herein) neither it/he nor the Target Companies shall do, allow or procure any act or omission before Completion which would constitute a breach of any Purchaser Warranty.

7. POST-COMPLETION UNDERTAKINGS BY THE PURCHASER

- 7.1 The Purchaser undertakes to use its best endeavour to procure that the PRC Mortgage and the PRC Share Charges and transactions contemplated thereunder be completed as soon as practicable in any event within 6 months after the Completion Date (or any other date to be determined by the Vendor in its sole discretion) and all necessary filing, reporting and registration requirements in the PRC with respect to the PRC Mortgage and the PRC Share Charges be completed with the relevant PRC authorities within such 6-month-period, and promptly provide to the Vendor copies of all relevant written correspondence with the relevant PRC authorities and any documentation relating to such filing.
- 7.2 The Purchaser further undertake that without the prior written consent of the Vendor, it shall not and shall procure that any of its nominee or representative shall not, at any time during the period commencing from the Completion Date and ending on the day when the Consideration has been paid in full,
- (a) sell, transfer or otherwise dispose of, or enter into any agreement to sell, transfer or dispose of, or otherwise create any options, rights, interests or encumbrances in respect of, any assets (including any of the properties set out in Schedule 4) or businesses of or equity interests in any member of the Group; or
 - (b) enter into any swap or other arrangements that transfer the economic consequences of ownership of such member of the Group,

or offer or agree to do any of the foregoing. The relevant Target Company shall be entitled to (without any liability) refuse to register any transfer in breach of this clause.

8. NOTICES

Any notice required or permitted to be given by or under this Agreement shall be in writing and if to the Vendor and the Purchaser shall be given by delivering it to its address or facsimile number shown below:

The Vendor

Address: Suite 1105, 11th Floor, Tower 6, The Gateway, 9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong

Fax: 2802 2697
Attention: Shum Sai Chit

The Purchaser

Address: Suite 8115, 8/F, Massmutual Tower, 33 Lockhard Road, Wanchai
Fax: 2892 0361
Attention: Choi Chung Yin

or to such other address or facsimile number in Hong Kong as the party concerned may have been notified to the other party pursuant to this Clause and may be given by sending it by hand to such address or by facsimile transmission to such facsimile number, or to such other address or facsimile number as the party concerned may have notified to the other parties in accordance with this Clause. Any such notice so addressed to the relevant parties shall be deemed to be served on the day of delivery or facsimile transmission (or, if the day of delivery or transmission is not a Business Day or if the delivery or transmission is made after 5:00 pm Hong Kong time, deemed to be served on the immediately following Business Day), or if sooner upon acknowledgement of receipt by or on behalf of the party to which it is addressed.

10. COSTS AND EXPENSES

Each party shall bear its own costs (including legal costs) and expenses in connection with the preparation, negotiation and settlement of this Agreement, the Security Documents, the PRC Mortgage and the PRC Share Charges.

Notwithstanding the above, the Purchaser shall be solely responsible for paying all and any surcharges and Tax(es), including stamp duty and taxes under the Tax Announcement 7, arising from the transactions contemplated under this Agreement, the Security Documents, the PRC Mortgage and the PRC Share Charges.

11. GENERAL PROVISIONS RELATING TO AGREEMENT

- 11.1 Time shall be of the essence for this Agreement.
- 11.2 This Agreement shall be binding on and enure for the benefit of the successors of each of the parties but shall not be assignable without prior written consent of the other party(ies).
- 11.3 The exercise of or failure to exercise any right or remedy in respect of any breach of this Agreement shall not, save as provided herein, constitute a waiver by such party of any other right or remedy it may have in respect of that breach.
- 11.4 Any right or remedy conferred by this Agreement on the Vendor and the Purchaser respectively for breach of this Agreement (including without limitation the breach of

any representations and warranties) shall be in addition and without prejudice to all other rights and remedies available to it/him in respect of that breach.

- 11.5 This Agreement (together with the other documents referred to herein) constitutes the entire agreement between the parties with respect to its subject matter (neither party having relied on any representation or warranty made by the other parties which is not contained in this Agreement) and no variation of this Agreement shall be effective unless made in writing and signed by the parties.
- 11.6 This Agreement supersedes all and any previous agreements, arrangements or understanding between the parties relating to the matters referred to in this Agreement and all such previous agreements, understanding or arrangements (if any) shall cease and determine with effect from the date hereof.
- 11.7 If at any time any provision of this Agreement is or becomes illegal, void or unenforceable in any respect, the remaining provisions hereof shall in no way be affected or impaired thereby.
- 11.8 Subject to the requirements or requests of the Stock Exchange or any other applicable laws and regulations, none of the parties hereto may make any press or other announcements relating to this Agreement, and any other transactions and/or agreements contemplated hereunder without prior consultation with the other parties hereto.
- 11.9 A person who is not a Party has no right under the Contract (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) to enforce or to enjoy the benefit of any term of this Agreement. Notwithstanding any term of this Agreement, the consent of any person who is not a party thereto is not required to rescind or vary this Agreement at any time.

12. PROCESS AGENT

- 12.1 The Purchaser hereby irrevocably appoints Choi Chung Yin currently of Suite 8115, 8/F, Massmutual Tower, 33 Lockhard Road, Wanchai, Hong Kong as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong. If for any reason the agent named above (or its successor) no longer serves as agent of the Purchaser for this purpose, the Purchaser shall promptly appoint a successor agent, notify the Vendor thereof and deliver to the Vendor a copy of the new process agent's acceptance of appointment. Provided that until the Vendor receives such notification, it shall be entitled to treat the agent named above (or its said successor) as the agent of the Purchaser for the purposes of this Clause. The Purchaser agrees that any such legal process shall be sufficiently served on it if delivered to such agent for service at its address for the time being in Hong Kong whether or not such agent gives notice thereof to the Purchaser.

13. COUNTERPARTS

This Agreement may be executed by the parties hereto in any number of counterparts and on separate counterparts, each of which when so executed shall be deemed an original but all of which shall constitute one and the same instrument and is binding on all parties.

14. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of Hong Kong and the parties hereto submit to the non-exclusive jurisdiction of the courts of Hong Kong.

AS WITNESS whereof this Agreement has been duly executed on the date first above written.

SIGNED by Shum Sai Chit)
for and on behalf of)
GROUP SENSE (INTERNATIONAL))
LIMITED)
in the presence of:)

SIGNED by Choi Chung Yin)
for and on behalf of)
CROYDON CAPITAL ADVISORS LIMITED)
in the presence of:)

) *Choi Chung Yin*

AS WITNESS whereof this Agreement has been duly executed on the date first above written.

SIGNED by Shum Sai Chit)
for and on behalf of)
GROUP SENSE (INTERNATIONAL))
LIMITED (Registration no. 17804))
in the presence of:)



SIGNED by Choi Chung Yin)
for and on behalf of)
CROYDON CAPITAL ADVISORS LIMITED)
in the presence of:)

SCHEDULE 1

PARTICULARS OF THE MEMBERS OF THE GROUP

Part A – Target Companies

1. Group Sense (S.E.A.) Limited

Company:	Group Sense (S.E.A.) Limited
Place of Incorporation:	British Virgin Islands
Company Registration number:	84517
Date of incorporation:	29 April 1993
Address of registered office:	Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
Authorized share capital:	US\$50,000 with 50,000 shares @ US\$1.00 each
Issued share capital:	US\$1 with 1 share @US\$1.00
Shareholders:	Group Sense (International) Limited 1 share
Directors:	Mui Ka Wai (15 June 1993) Tam Wai Ho (4 June 2008) Tam Wai Tong (4 June 2008)
Registered Agent:	Vistra (BVI) Limited
Principal Activity:	Investment Holding

2. Group Sense Investment Limited

Company:	Group Sense Investment Limited
Place of Incorporation:	British Virgin Islands
Company Registration number:	84149
Date of incorporation:	23 April 1993
Address of registered office:	Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
Authorized share capital:	US\$50,000 with 50,000 shares @ US\$1.00 each
Issued share capital:	US\$1 with 1 share @US\$1.00
Shareholders:	Group Sense (International) Limited 1 share
Directors:	Tam Wai Ho (5 July 1993) Tam Wai Tong (5 July 1993) Mui Ka Wai (5 July 1993)
Registered Agent:	Vistra (BVI) Limited
Principal Activity:	Investment Holding

Part B – Major BVI and Cayman Islands Subsidiaries

1. Group Sense (Holding) Limited

Company:	Group Sense (Holding) Limited
Place of Incorporation:	British Virgin Islands
Company Registration number:	46372
Date of incorporation:	3 July 1991
Address of registered office:	Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
Authorized share capital:	US\$50,000 with 50,000 shares @US\$1.00 each
Issued share capital:	US\$3,000 with 3,000 shares @US\$1.00 each
Shareholders:	Group Sense (S.E.A.) Limited 3,000 shares
Directors:	Tam Wai Ho (3 July 1991) Tam Wai Tong (3 July 1991)
Registered Agent:	Visra (BVI) Limited
Principal Activity:	Investment Holding

2. Group Sense Manufactory Company Limited

Company:	Group Sense Manufactory Company Limited
Place of Incorporation:	British Virgin Islands
Company Registration number:	46373
Date of incorporation:	3 July 1991
Address of registered office:	Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
Authorized share capital:	US\$50,000 with 50,000 shares @US\$1.00 each
Issued share capital:	US\$1 with 1 share @US\$1.00
Shareholders:	Group Sense (Holding) Limited 1 share
Directors:	Tam Wai Ho (2 September 1991) Lin Ming Huang (4 April 1995) Tam Wai Tong (14 March 2011) Mui Ka Wai (14 March 2011)
Registered Agent:	Vistra (BVI) Limited
Principal Activity:	Investment Holding

3. Powerquest Technology Limited

Company:	Powerquest Technology Limited
Place of Incorporation:	British Virgin Islands
Company Registration number:	397553
Date of incorporation:	18 July 2000
Address of registered office:	Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
Authorized share capital:	US\$50,000 with 50,000 shares @US\$1.00 each
Issued share capital:	US\$100.00 with 100 shares @US\$1.00 each
Shareholders:	Group Sense Investment Limited 100 shares
Directors:	Tam Wai Ho (4 October 2000) Tam Wai Tong (4 October 2000)
Secretary:	Group Sense Services Limited
Registered Agent:	Vistra (BVI) Limited
Principal Activity:	Investment Holding

4. Group Sense Wireless Technology (Singapore) Limited

Company:	Group Sense Wireless Technology (Singapore) Limited
Place of Incorporation:	British Virgin Islands
Company Registration number:	395441
Date of incorporation:	5 July 2000
Address of registered office:	Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
Authorized share capital:	US\$50,000 with 50,000 shares @US\$1.00 each
Issued share capital:	US\$1.00 with 1 share @US\$1.00
Shareholders:	Group Sense Investment Limited 1 share
Directors:	Tam Wai Ho (2 August 2000) Tam Wai Tong (2 August 2000)
Secretary:	Group Sense Services Limited
Registered Agent:	Vistra (BVI) Limited
Principal Activity:	Investment Holding

Part C – Japan Subsidiary

株式会社グループセンス Kabushiki Kaisha Group Sense

Company:	株式会社グループセンス Kabushiki Kaisha Group Sense
Place of Incorporation:	Japan
Company Registration number:	0100-01-107946
Date of incorporation:	28/03/2007
Address of registered office:	東京都中央区日本橋人形町一丁目 5 番 1 號
Authorized share capital:	JPY250,000,000 with 5,000 shares @ JPY50,000 each
Issued share capital:	JPY60,000,000 with 1,200 shares @ JPY50,000 each
Shareholders:	Group Sense Strategic Capital Limited 1,200 shares
Directors:	Tam Wai Ho Otani Kazuhiro Aoki Naomasa
Registered Agent:	N/A
Principal Activity:	Investment Holding

Part D – Hong Kong Subsidiaries

1. Group Sense Limited 權智有限公司

Company:	Group Sense Limited 權智有限公司
Place of Incorporation:	Hong Kong
Company Registration number:	218214
Date of incorporation:	10 June 1988
Address of registered office:	Rooms 13-24, 2/F., Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong.
Issued share capital:	HK\$201,000 with 1,000 ordinary shares @ HK\$1.00 each and 200,000 5% non-voting deferred shares @HK\$1.00 each
Shareholders:	Tam Wai Ho – 1 ordinary (held on trust for Group Sense (Holding) Limited) Tam Wai Tong – 1 ordinary (held on trust for Group Sense (Holding) Limited) Group Sense (Holding) Limited - 998 ordinary - 200,000 5 % non-voting deferred
Directors:	Tam Wai Ho (4 th July, 1988) Tam Wai Tong (4 th July, 1988) Mui Ka Wai (12 th February, 1998) Kazuhiro Otani (12 th February, 1998) Lee Koon Hung (7 th July, 2008)
Principal Activity:	Design and trading of electronic products and Investment Holding

2. Group Sense Services Limited 權智服務有限公司

Company:	Group Sense Services Limited 權智服務有限公司
Place of Incorporation:	Hong Kong
Company Registration number:	654921
Date of incorporation:	18 September 1998
Address of registered office:	Rooms 13-24, 2/F., Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong.
Issued share capital:	HK\$100 with 100 shares @HK\$1.00 each
Shareholders:	Group Sense Limited 99 shares Billion Link Investment Limited 1 share (held on trust for Group Sense Limited)
Directors:	Tam Wai Ho (8 October 1998) Tam Wai Tong (8 October 1998)
Principal Activity:	Consulting Services

3. Group Sense Manufactory Company Limited 權智製造有限公司

Company:	Group Sense Manufactory Company Limited 權智製造有限公司
Place of Incorporation:	Hong Kong
Company Registration number:	351179
Date of incorporation:	26 March 1992
Address of registered office:	Rooms 13-24, 2/F., Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong.
Issued share capital:	HK\$2 with 2 shares @HK\$1.00 each
Shareholders:	Group Sense Manufactory Company Limited 1 share Group Sense Services Limited 1 share (held on trust for Group Sense Manufactory Company Limited)
Directors:	Tam Wai Ho (1 April 1992) Tam Wai Tong (1 April 1992)
Principal Activity:	Investment Holding

4. Group Sense PDA Limited

Company: Group Sense PDA Limited
權智掌上電腦有限公司

Place of Incorporation: Hong Kong

Company Registration number: 729898

Date of incorporation: 4 September 2000

Address of registered office: Rooms 13-24, 2/F., Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong.

Issued share capital: HK\$100 with 100 shares @HK\$1.00 each

Shareholders: Powerquest Technology Limited 99 shares
Group Sense Services Limited 1 share
(held on trust for Powerquest Technology Limited)

Directors: Tam Wai Ho (4 October 2000)
Tam Wai Tong (4 October 2000)
Lee Koon Hung (27 August 2001)

Principal Activity: Design of handheld electronic products and the provision of technical consultancy service

5. Group Sense Mobile-Tech Company Limited 權智移動科技有限公司

Company: Group Sense Mobile-Tech Company Limited
權智移動科技有限公司

Place of Incorporation: Hong Kong

Company Registration number: 706699

Date of incorporation: 6 March 2000

Address of registered office: Rooms 13-24, 2/F., Sino Industrial Plaza, 9 Kai
Cheung Road, Kowloon Bay, Kowloon, Hong Kong.

Issued share capital: HK\$2 with 2 shares @HK\$1.00 each

Shareholders: Group Sense Wireless Technology (Singapore)
Limited 1 share
Group Sense Services Limited 1 share
(held on trust for Group Sense Wireless Technology
(Singapore) Limited)

Directors: Tam Wai Ho (1 December 2000)
Tam Wai Tong (1 December 2000)
Lee Koon Hung (1 October 2006)

Principal Activity: Development and trading of wireless telecom devices
and products

6. Group Sense Strategic Capital Limited 權智策略資本有限公司

Company:	Group Sense Strategic Capital Limited 權智策略資本有限公司
Place of Incorporation:	Hong Kong
Company Registration number:	0704399
Date of incorporation:	16/02/2000
Address of registered office:	Rooms 13-24, 2/F, Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Hong Kong
Issued share capital:	100 ordinary shares @ HK\$1 each
Shareholders:	Group Sense Investment Limited 100 shares
Directors:	Tam Wai Ho, Samson Tam Wai Tong, Thomas
Principal Activity:	Investment holding

7. Group Sense Software Technology (Hong Kong) Limited 權智軟件科技(香港)有限公司

Company:	Group Sense Software Technology (Hong Kong) Limited 權智軟件科技(香港)有限公司
Place of Incorporation:	Hong Kong
Company Registration number:	0685024
Date of incorporation:	11/08/1999
Address of registered office:	Rooms 13-24, 2/F, Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Hong Kong
Issued share capital:	100 ordinary shares @ HK\$1 each
Shareholders:	Group Sense Investment Limited 100 shares
Directors:	Tam Wai Ho, Samson Tam Wai Tong, Thomas
Principal Activity:	Investment holding

Part E – Major PRC Subsidiaries

1. Dongguan Chang An Group Sense Electronics Factory 東莞長安權智電子廠

Company Name:	東莞長安權智電子廠 Dongguan Chang An Group Sense Electronics Factory
Place of incorporation:	PRC
Registration number:	9144190061834151XN
Date of incorporation:	10/06/1993
Address of registered office:	東莞市長安鎮烏沙村
Representative or branch office:	N/A
Total Investment:	港幣 2,000 萬
Registered capital:	港幣 2,000 萬
Paid-up capital:	港幣 2,000 萬
Shareholders and registered capital:	(英屬處女島) Group Sense Manufactory Company Limited 權智制造有限公司 港幣 2,000 萬 (100%)
Directors:	譚偉豪 (董事長) 譚偉棠 (副董事長) 李冠雄
Financial year end	12 月 31 日
Legal representative	譚偉豪
Principal activity:	生產和銷售復讀機、翻譯機、手提遊戲機、線路板、傳呼機、計算機、光碟讀取器、兒童語言學習機、多功能插卡、掌上電腦、資料轉駁器、電子記事簿、個人數碼助理、(PDA 系列)、傳呼機寫碼器、脂肪測試機、數字錄音機、名片掃描器以及軟件開發(涉限涉証除外，軟件的開發等活動應遵守我國有關法律、法規和標準規範)。(涉及許可証的項目，須領証後才可能經營)。

2. 东莞环亚高科电子有限公司

Company Name:	東莞環亞高科電子有限公司 Global Asia High-tech Electronics Co. Ltd.
Place of incorporation:	PRC
Registration number:	91441900747060597N
Date of incorporation:	14/02/2003
Address of registered office:	東莞市長安鎮烏沙村蔡屋工業園
Representative or branch office:	N/A
Total Investment:	港幣6,500萬
Registered capital:	港幣6,500萬
Paid-up capital:	港幣6,500萬
Shareholders and registered capital:	Group Sense Manufactory Company Limited權智製造有限公司 港幣6,500萬 (100%)
Directors:	譚偉豪 譚偉棠 梅嘉慧
Financial year end	12月31日
Legal representative	譚偉豪
Principal activity:	生產和銷售復讀機、電子記事簿、個人數碼助理、手提遊戲產品(不含賭博成份)、傳呼機、語言學習機、資料轉駁器、掌上電腦以及軟件開發、數碼相機、藍牙耳機、多媒體播放機、無線電導航設備及其配件、手機、數字機頂盒及其配件、高品質銅、翻譯機、識讀器、電子詞典、無線鍵盤、解調器、電動助力車(不含在東莞地區銷售)、自產產品零配件。(以上項目不涉及外商投資准入特別管理措施)

3. 广东中大讯通软件科技有限公司

Company Name:	廣東中大訊通軟件科技有限公司
Place of incorporation:	PRC
Registration number:	91440000731466728H
Date of incorporation:	29/08/2001
Address of registered office:	廣東省廣州市蘿崗區伴河路96號自編一棟第4層
Representative or branch office:	N/A
Total Investment:	人民幣2,550萬
Registered capital:	人民幣2,550萬
Paid-up capital:	人民幣2,550萬
Shareholders and registered capital:	東莞環亞高科電子有限公司 人民幣1,300.5萬 (51%) 廣州金蟾軟件研發中心有限公司 人民幣1,249.5 萬 (49%)
Directors:	譚偉豪 (董事長) 楊 洪
Financial year end	12月31日
Legal representative	譚偉豪
Principal activity:	計算機軟、硬件的開發、設計、維護, 計算機信息技術諮詢, 電子產品開發, 電子計算機集成的研究、開發; 通訊設備的技術開發, 技術服務; 銷售: 食品添加劑, 化工產品(不含危險化學品), 電子產品及通信設備(不含衛星電視廣播地面接收、發射設備), 電子計算機及配件, , IC卡, 節能產品; 機械設備租賃; 房地產租賃、銷售; 物業管理; 貨物進出口、技術進出口。 (依法須經批准的項目, 經相關部門批准後方可開展經營活動)

4. 广州通云科技有限公司

Company Name:	广州通云科技有限公司
Place of incorporation:	PRC
Registration number:	914401034738973XK
Date of incorporation:	03/07/2015
Address of registered office:	廣州市蘿崗區伴河路96號自編一棟6層606-B
Representative or branch office:	N/A
Total Investment:	人民幣24,500萬
Registered capital:	人民幣24,500萬
Paid-up capital:	人民幣24,500萬
Shareholders and registered capital:	东莞环亚高科电子有限公司 人民幣12,495 萬(51%) 广州金蟾软件研发中心有限公司 人民幣12,005 萬(49%)
Directors:	楊洪 譚偉豪
Financial year end	12月31 日
Legal representative	楊洪
Principal activity:	軟件開發;信息系統集成服務;計算機房維護服務;信息技術諮詢服務;數據處理和存儲服務;集成電路設計;房地產開發經營;自有房地產經營活動;房屋租賃;場地租賃(不含倉儲);房屋拆遷服務;物業管理;房地產中介服務;房地產諮詢服務;停車場經營;道路自動收費停車泊位的建設、經營和管理;道路自動收費停車泊位設備的開發研究、安裝和維護;(依法須經批准的項目,經相關部門批准後方可開展經營活動)

5. 深圳市权智掌上电脑有限公司

Company Name:	深圳市權智掌上電腦有限公司
Place of incorporation:	PRC
Registration number:	914403007556813427
Date of incorporation:	17/11/2003
Address of registered office:	深圳市南湖街道建設路 1072 號東方廣場 1609
Representative or branch office:	N/A
Total Investment:	人民幣 160 萬
Registered capital:	人民幣 160 萬
Paid-up capital:	人民幣 160 萬
Shareholders and registered capital:	林明晃 人民幣 96 萬 (60%) (以信託方式代 Group Sense Mobile-Tech Limited 持有) 林翠銀 人民幣 64 萬 (40%) (以信託方式代 Group Sense Mobile-Tech Limited 持有)
Directors:	林明晃
Financial year end	12 月 31 日
Legal representative	林明晃
Principal activity:	計算機軟、硬件和電子通訊產品的技術開發與購銷；掌上電腦、翻譯機的購銷；其他國內商業、物資供銷業(以上各項不含專營、專控、專賣商品)；從事貨物及技術的進出口業務(國家明令禁止及特種許可的除外)

SCHEDULE 2

VENDOR WARRANTIES

The Vendor represent, warrant to, and undertake with, the Purchaser that:

1. **General**

- (i) It has full power and authority, and has obtained all necessary consents and approvals, to enter into this Agreement and to exercise its rights and perform its obligations hereunder and (where relevant) all corporate and other actions required to authorise its execution of this Agreement and its performance of its obligations hereunder have been duly taken.
- (ii) This Agreement is a legal, valid and binding agreement on the Vendor and is enforceable in accordance with its terms.
- (iii) The respective obligations of the Vendor under this Agreement shall at all times constitute direct, unconditional, secured, unsubordinated and general obligations of, and shall rank at least pari passu with, all its respective other present and future outstanding secured obligations.
- (iv) The execution and delivery of, and the performance by the Vendor of its obligations under this Agreement, and any other document to be executed pursuant to this Agreement to which the Vendor is or is to be a party, will not:
 - (a) result in a breach of any provision of the memorandum and articles of association, or the equivalent constitutional documents, of the Vendor;
 - (c) result in a breach of, or constitute a default under, any instrument to which any of the Vendor is a party or by which it is bound; or
 - (d) result in a breach of any order, judgment or decree of any court or governmental agency to which the Vendor is bound or a violation of any applicable laws and regulations in the PRC, the BVI or any other applicable jurisdiction.

2. **Sale Shares and Shareholder's Loan**

- (i) The Sale Shares were allotted and issued fully paid up in accordance with the constitutional documents of the relevant Target Company and all relevant laws, and are legally and beneficially owned by the Vendor free from all Encumbrances.
- (ii) The Sale Shares are and will constitute 100% issued share capital of the relevant Target Company as at the date of this Agreement and as at Completion.
- (iii) There is no option, right to acquire, mortgage, charge, pledge, lien or other form of security or Encumbrance or agreement on, over or affecting any of the Sale Shares and there is no agreement or commitment to give or create any of the

foregoing and no claim has been made by any person to be entitled to any of the foregoing which has not been waived in its entirety or satisfied in full.

- (iv) The Shareholder's Loan will at Completion be due and owing by the relevant Target Company and is repayable on demand to the Vendor, is valid and subsisting, interest free and unsecured.
- (v) The Shareholder's Loan as at the date of this Agreement and shall remain up to Completion comprising all amounts due by the Target Companies to the Vendor.
- (vi) The Vendor is entitled to assign or will procure the assignment of the legal and beneficial ownership of the Shareholder's Loan to the Purchaser (or its nominee to whom the Sale Shares are to be transferred) free from Encumbrances on Completion.

3. **Group structure; corporate matters, etc.**

- (i) Each of the Target Companies has been and remains validly incorporated or established and in good standing pursuant to the laws of its country of incorporation or establishment.
- (ii) All shares, share or equity interests, ownership interests, debentures or other securities issued or allotted by each of the Target Companies has been and remain validly issued or allotted and fully paid up.

4. **Accounts and Accounting Records**

- (i) The Accounts have been prepared in accordance with accounting principles generally accepted in Hong Kong and consistently applied.
- (ii) The Accounts give a materially accurate view of the state of affairs and financial and trading positions of the Group at the date to which they were prepared and of the Group's results for the financial period ended on that date and no event has occurred that has resulted in the results of the Group in respect of the period covered by such accounts being abnormally high or low.

5. **Events since the Accounts Date**

Save as the transactions contemplated under this Agreement and the Security Documents, since the Accounts Date as regards each member of the Group:

- (i) there has been no material adverse change in its financial position or prospects or conditions, assets, liabilities;

- (ii) its business has been carried on in the ordinary and usual course and in the same manner (including nature and scope) as in the past;
- (iii) no dividend or other distribution has been declared, made or paid to its members or Purchaser;
- (iv) no change has been made to its accounting reference period; and
- (v) none of its assets has been acquired or disposed of, or agreed to acquire or dispose of, except in the ordinary course of business.

6. **Property**

- (i) Schedule 4 sets out the properties (“Owned Properties”) owned or in respect of which land use rights or building ownership rights are owned by members of the Group or in respect of which any member of the Group has any interest whatsoever and the Group does not own, operate, manage or have any other right or interest, directly or indirectly, in any other real property of any kind except for those described in Part B of Schedule 4.
- (ii) Each relevant member of the Group possesses good title in or land use rights and (where applicable) building ownership rights to the Owned Properties and members of the Group have the right to use and occupy the Owned Properties and own and use all such buildings without having to make any additional payments or satisfy other requirements.

7. **Insolvency of members of the Group**

- (i) No order has been made and no resolution has been passed for the winding up, liquidation or bankruptcy of either of the Target Companies and no petition has been presented and no meeting has been convened for the purpose of the winding up, liquidation or bankruptcy of either of the Target Companies.
- (ii) No steps have been taken for the appointment of an administrator or receiver of any part of any property of either of the Target Companies.

8. **Litigation**

- (i) So far as the Vendor is aware, neither of the Target Companies is a party to any ongoing litigation or arbitration, administrative or criminal proceedings of a material nature, and so far as the Vendor is aware, no litigation or arbitration, administrative or criminal proceedings of a material nature against either of the Target Companies is pending or being threatened.

- (ii) So far as the Vendor is aware, there is no action or investigation by government or governmental, supernational or state agency or regulatory body to restrain, prohibit or otherwise challenge the operation of any member of the Group.

SCHEDULE 3

PURCHASER WARRANTIES

The Purchaser represents, warrants to, and undertakes with, the Vendor that:

- (i) It has full power and authority, and has obtained all necessary consents and approvals, to enter into this Agreement and to exercise its rights and perform its obligations hereunder and (where relevant) all corporate and other actions required to authorise its execution of this Agreement and its performance of its obligations hereunder have been duly taken. This Agreement is a legal, valid and binding agreement on the Purchaser and is enforceable in accordance with its terms.
- (ii) Its obligations under this Agreement shall at all times constitute direct, unconditional, secured, unsubordinated and general obligations of, and shall rank at least pari passu with, all its other present and future outstanding secured obligations.
- (iii) The execution and delivery of, and the performance by the Purchaser of its obligations under this Agreement, and any other document to be executed pursuant to this Agreement to which the Purchaser is or is to be a party, will not:
 - (a) result in a breach of any provision of the memorandum and articles of association, or the equivalent constitutional documents, of the Purchaser;
 - (e) result in a breach of, or constitute a default under, any instrument to which the Purchaser is a party or by which it is bound; or
 - (f) result in a breach of any order, judgment or decree of any court or governmental agency to which the Purchaser is bound or a violation of any applicable laws and regulations in the PRC, the BVI or any other applicable jurisdiction.
- (iv) None of the Purchaser and its associates (as defined under the Listing Rules) are connected persons (as defined under the Listing Rules) of the Vendor and/or any of its direct or indirect holding companies.
- (v) None of the Purchaser and its associates (as defined under the Listing Rules) are interested in any share capital of the Vendor and/or the Vendor's Subsidiaries and/or the Vendor's direct or indirect holding companies.
- (vi) The Purchaser is not in any way related to and the Purchaser is independent of each of the Target Companies and any member of the Group prior to the date of this Agreement.

SCHEDULE 4

PROPERTIES

Part A. Owner: Group Sense Limited

No.	Use	Address
1.	Office & workshop	1. Workshops Nos 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23 & 24 on Second Floor of Sino Industrial Plaza, No. 9 Kai Cheung Road, Kowloon Bay, Hong Kong
2.	Car park	2. Car Parking Space No.P3 of Sino Industrial Plaza, No.9 Kai Cheung Road, Kowloon Bay, Hong Kong

Part B. Owner: 广州中大讯通科技有限公司

序號	房產證號	用途	房屋地址	建築面積 (平方米)
1.	粤房地权证穗字第 0550013224号	工业	萝岗区伴河路96号自编一栋地下一层	2,310.28
2.	粤房地权证穗字第 0550013223号	工业	萝岗区伴河路96号自编一栋首层	2,056.72
3.	粤房地权证穗字第 0550013222号	工业	萝岗区伴河路96号自编一栋2层	2,295.10
4.	粤房地权证穗字第 0550013221号	工业	萝岗区伴河路96号自编一栋3层	2,295.10
5.	粤房地权证穗字第 0550013220号	工业	萝岗区伴河路96号自编一栋4层	2,295.10
6.	粤房地权证穗字第 0550013219号	工业	萝岗区伴河路96号自编一栋5层	2,295.10
7.	粤房地权证穗字第 0550013218号	工业	萝岗区伴河路96号自编一栋6层	2,295.10
8.	粤房地权证穗字第 0550013217号	工业	萝岗区伴河路96号自编二栋首层	1,564.42
9.	粤房地权证穗字第 0550013216号	工业	萝岗区伴河路96号自编二栋2层	1,788.41
10.	粤房地权证穗字第 0550013215号	工业	萝岗区伴河路96号自编二栋3层	1,883.33
11.	粤房地权证穗字第 0550013214号	工业	萝岗区伴河路96号自编二栋4层	1,797.64
12.	粤房地权证穗字第 0550013213号	工业	萝岗区伴河路96号自编二栋5层	1,802.45
13.	粤房地权证穗字第 0550013212号	工业	萝岗区伴河路96号自编二栋6层	1,715.63

14.	粤房地权证穗字第 0550013211号	工业	萝岗区伴河路96号自编三栋首层	716.14
15.	粤房地权证穗字第 0550013210号	工业	萝岗区伴河路96号自编三栋2层	1,160.22
16.	粤房地权证穗字第 0550013208号	工业	萝岗区伴河路96号自编三栋4层	1,160.22
17.	粤房地权证穗字第 0550013207号	工业	萝岗区伴河路96号自编三栋5层	1,160.22
18.	粤房地权证穗字第 0550013206号	工业	萝岗区伴河路96号自编三栋6层	1,160.22

Part C. Owner: 東莞長安權智電子廠

序號	房產證號	用途	房屋地址	建築面積 (平方米)
1	粤房地证字第1664085号	發電房	东莞市长安镇乌沙区蔡屋村	375.72
2	粤房地证字第1664073号	工人宿舍	东莞市长安镇乌沙区蔡屋村	6836.1
3	粤房地证字第1664074号	舊職宿舍	东莞市长安镇乌沙区蔡屋村	4234.27
4	粤房地证字第1664075号	飯堂綜合樓	东莞市长安镇乌沙区蔡屋村	3557.06
5	粤房地证字第1664076号	辦公樓	东莞市长安镇乌沙区蔡屋村	2877.14
6	粤房地证字第1664077号	廠房	东莞市长安镇乌沙区蔡屋村	14677.12
7	粤房地证字第2420653号	A2棟宿舍	东莞市长安镇乌沙区蔡屋村	2018.84
8	粤房地证字第2420654号	B2棟宿舍	东莞市长安镇乌沙区蔡屋村	2202.91
9	粤房地证字第2420655号	B1棟宿舍	东莞市长安镇乌沙区蔡屋村	2202.91
10	粤房地证字第2420656号	A1棟宿舍	东莞市长安镇乌沙区蔡屋村	2018.84

SCHEDULE 5
FORM OF CUSTODY LETTER

确 认 函

1. 本公司，广东中大讯通软件科技有限公司，为列于附表一之房产的合法所有者。
2. 本公司特此确认，根据由權智(國際)有限公司 Group Sense (International) Limited (“Group Sense”) 作为卖方及 Croydon Capital Advisors Limited (“Croydon Capital”) 作为买方于 2018 年 6 月[*]日签署的股权买卖协议 (“买卖协议”)，于本确认函日期 (即买卖协议的完成日)，本公司已自愿把载于附表一的房产证书原件交由 Group Sense 保管直至 Croydon Capital 按买卖协议项下规定向 Group Sense 支付全部对价 (即港币 7000 万) 之日为止。
3. 本公司特此承诺，在 Croydon Capital 向 Group Sense 支付其须于买卖协议项下的全部对价之前，在未经 Group Sense 事先书面同意之情况下，不得出售、转让、抵押、破坏或以任何方式处置附表一的任何房产或于该等房产设置任何产权障碍或负担，也不得要求 Group Sense 退还相关的房产证书原件。

[以下为签字页，无正文]

代表

广东中大讯通软件科技有限公司（签章）

法定代表人：谭伟豪

日期：2018年 月 日

本公司，權智（國際）有限公司 Group Sense (International) Limited，特此确认收悉附表
一系列载的房产证书原件。

代表

權智（國際）有限公司 Group Sense (International) Limited

授权代表：

日期：2018 年 月 日

本公司，Croydon Capital Advisors Limited，特此知悉上述安排。

代表

Croydon Capital Advisors Limited

授权代表：蔡仲言

日期：2018 年 月 日

附表一

序號	房產證號	用途	房屋地址	建築面積 (平方米)
1.	粵房地权证穗字第 0550013221 号	工业	萝岗区伴河路 96 号自编一栋 3 层	2,295.10
2.	粵房地权证穗字第 0550013220 号	工业	萝岗区伴河路 96 号自编一栋 4 层	2,295.10
3.	粵房地权证穗字第 0550013217 号	工业	萝岗区伴河路 96 号自编二栋首层	1,564.42
4.	粵房地权证穗字第 0550013216 号	工业	萝岗区伴河路 96 号自编二栋 2 层	1,788.41
5.	粵房地权证穗字第 0550013215 号	工业	萝岗区伴河路 96 号自编二栋 3 层	1,883.33
6.	粵房地权证穗字第 0550013214 号	工业	萝岗区伴河路 96 号自编二栋 4 层	1,797.64
7.	粵房地权证穗字第 0550013211 号	工业	萝岗区伴河路 96 号自编三栋首层	716.14
8.	粵房地权证穗字第 0550013210 号	工业	萝岗区伴河路 96 号自编三栋 2 层	1,160.22

SCHEDULE 6
FORM OF HK SHARE CHARGES

Part A

Private & Confidential

Dated _____ **2018**

GROUP SENSE MANUFACTORY COMPANY LIMITED
(as Chargor)

in favour of

GROUP SENSE (INTERNATIONAL) LIMITED
(as Chargee)

SHARE CHARGE
in respect of the entire issued shares of
GROUP SENSE MANUFACTORY COMPANY LIMITED (權智製造有限公司)

**ReedSmith
Richards Butler**

CONTENTS

<u>CLAUSE</u>	<u>PAGE</u>
1. DEFINITIONS AND CONSTRUCTION	1
2. COVENANT TO PAY	5
3. SECURITY.....	5
4. RESTRICTIONS AND FURTHER ASSURANCE.....	6
5. CHARGED SHARES.....	9
6. GENERAL UNDERTAKINGS	10
7. REPRESENTATIONS AND WARRANTIES	13
8. ENFORCEMENT.....	15
9. APPOINTMENT AND RIGHTS OF RECEIVERS	16
10. CHARGEES RIGHTS	17
11. APPLICATION OF PROCEEDS.....	18
12. LIABILITY OF CHARGEES, RECEIVER AND DELEGATES	18
13. POWER OF ATTORNEY.....	19
14. PROTECTION OF THIRD PARTIES.....	19
15. SAVING PROVISIONS.....	20
16. DISCHARGE OF SECURITY.....	22
17. COSTS, CHARGES AND EXPENSES.....	23
18. PAYMENTS.....	23
19. TAX GROSS UP.....	24
20. SEPARATE AND INDEPENDENT OBLIGATIONS	24
21. CONDUCT OF BUSINESS BY THE CHARGEES.....	24
22. OTHER INDEMNITIES	24
23. SET-OFF	25
24. ASSIGNMENTS AND TRANSFERS	26
25. REMEDIES, WAIVERS, CERTIFICATE, SEVERABILITY AND COUNTERPARTS	26
26. NOTICES	26
27. GOVERNING LAW AND JURISDICTION.....	27
SCHEDULE 1 RIGHTS OF RECEIVERS	29
SCHEDULE 2 PARTICULARS OF THE COMPANY AND THE SHARES	31
SCHEDULE 3 FORM OF LETTER OF RESIGNATION.....	32
SCHEDULE 4 FORM OF LETTER OF UNDERTAKING AND AUTHORISATION	33
SCHEDULE 5 FORM OF WRITTEN RESOLUTIONS	34
SCHEDULE 6 FORM OF INSTRUMENT OF TRANSFER.....	35
SCHEDULE 7 BOUGHT AND SOLD NOTES.....	36
SCHEDULE 8 FORM OF ACKNOWLEDGMENT FROM NOMINEE.....	38

SCHEDULE 9	
FORM OF IRREVOCABLE POWER OF ATTORNEY AND PROXY	40
SCHEDULE 10	
FORM OF DEED OF UNDERTAKING AND CONFIRMATION FROM THE COMPANY TO THE CHARGEES.....	41
SCHEDULE 11	
WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY	43
SIGNATURE PAGE	

THIS DEED is made on

2018 between:

- (1) **GROUP SENSE MANUFACTORY COMPANY LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands with limited liability and with company number 46373 and whose registered office address is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the "**Chargor**"); and
- (2) **GROUP SENSE (INTERNATIONAL) LIMITED**, a company incorporated under the laws of Bermuda and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance and listed on The Stock Exchange of Hong Kong Limited (stock code: 601) whose registered office is at Clarendon House, Church Street, Hamilton HM11, Bermuda (the "**Chargee**").

WHEREAS:-

- (A) Pursuant to a sale and purchase agreement dated on or around the date of this Deed (as amended and supplemented from time to time, the "**Sale and Purchase Agreement**") entered into between Croydon Capital Advisors Limited as purchaser (the "**Purchaser**") and the Chargee as vendor, the Chargee agreed to sell and the Purchaser agreed to purchase the entire issued shares in each of Group Sense (S.E.A.) Limited and Group Sense Investment Limited in accordance with the terms and conditions contained therein.
- (B) It is a condition under the Sale and Purchase Agreement that at the time of Completion (as defined in the Sale and Purchase Agreement) that the Chargor shall have executed and delivered this Deed and any other ancillary documentation to and specified in this Deed to the Chargee.

NOW THIS DEED WITNESSES as follows:

DEFINITIONS AND CONSTRUCTION

Definitions

Words and expressions defined in the Sale and Purchase Agreement shall, unless otherwise defined in this Deed, or the context otherwise requires, have the same meanings when used in this Deed.

Defined Terms

"**BVI Act**" means the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands.

"**Charged Assets**" means the assets of the Chargor from time to time subject, or expressed to be subject, to the Charges or any part of those assets.

"**Charge**" or "**Charges**" means all or any of the Security created or expressed to be created by or pursuant to this Deed.

"**Companies Ordinance**" means the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

"**Company**" means Group Sense Manufactory Company Limited (權智製造有限公司), a company incorporated in Hong Kong whose registered address is at Rooms 13-24, 2/F, Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong.

"**CPO**" means the Conveyancing and Property Ordinance (Cap. 219 of the Laws of Hong Kong).

"**Deed**" means this Share Charge.

"**Declaration of Trust**" means the declaration of trust dated 1 April 2003 and entered into by Group Sense Services Limited pursuant to which Group Sense Services Limited declares that it holds Share B upon trust on behalf of the Chargor.

"**Delegate**" means a delegate or sub-delegate appointed under Clause 10.1 (*Delegation*).

"**Dividends**" means all present and future:

dividends and distributions of any kind and any other sum received or receivable in respect of any Share;

rights, shares, money or other assets accruing or offered by way of redemption, bonus, option or otherwise in respect of any Share;

allotments, offers and rights accruing or offered in respect of any Share; and

other rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, any Share.

An "**Event of Default**" occurs when the Purchaser fails to comply with any provision under the Sale and Purchase Agreement (including, but not limited to payment of all of any part of the Consideration) within the relevant grace period as permitted under the Sale and Purchase Agreement or within such timeframe as allowed by the Chargee.

"**Nominee**" means:

- (a) Group Sense Services Limited, a company incorporated in Hong Kong with limited liability and with company number 654921; and/or

such other person or entity nominated by the Chargor as its nominee shareholder in respect of any Charged Assets pursuant to any contractual arrangements or written agreements, including, but not limited to a declaration of trust or a nominee declaration.

"**Party**" means a party to this Deed and includes its successors in title, permitted assigns and transferees and "**Parties**" means all of them.

"**Receiver**" means any receiver, manager, receiver and manager or other similar officer appointed by the Chargee in respect of any or all of the Charged Assets pursuant to this Deed.

"**Register of Charges**" means the register of charges of the Chargor maintained by the Chargor in accordance with section 162 of the BVI Act.

"**Registrar of Corporate Affairs**" means the Registrar of Corporate Affairs of the British Virgin Islands appointed under Section 229 of the BVI Act.

"Register of Directors" means the register of directors of the Company maintained by the Company.

"Register of Members" means the register of members of the Company maintained by the Company.

"Release Date" means the date on which all the Secured Obligations have been paid, repaid, fulfilled or otherwise discharged in full to the reasonable satisfaction of the Chargee.

"Relevant Jurisdiction" means, in relation to the Chargor:

- (b) its jurisdiction of incorporation;
- (c) any jurisdiction where any asset subject to or intended to be subject to this Deed is situated;
- (d) any jurisdiction where it conducts its business; and
- (e) the jurisdiction whose laws govern the perfection of any of this Deed.

"Secured Obligations" means any and all moneys, liabilities and obligations (whether actual or contingent, whether as principal, surety or otherwise, whether now existing or hereafter arising, whether or not for the payment of money, and including, without limitation, any obligation or liability to pay damages) which are or may become payable or owing to the Chargee by the Purchaser under or pursuant to the Sale and Purchase Agreement or by the parties to the Security Documents (other than the Chargee) under or pursuant to the Security Documents and/or all other obligations hereby secured including, all legal and other costs, charges and expenses which the Chargee or its receiver or any such other person acting on their behalf may incur in enforcing or obtaining, or attempting to enforce or obtain, payment of any such moneys, debts and liabilities.

"Security Perfection Requirement" means the making or procuring of the appropriate registrations, filings, endorsements, notarisations, stampings and/or notifications of this Deed or the Security created hereunder in each case for the purposes of perfection of the Security created hereunder

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Share A" means the share in the Company legally and beneficially owned by the Chargor at the date of this Deed and the details of which are fully described in Schedule 2 (*Particulars of the Company and the Shares*).

"Share B" means the share in the Company legally owned by the Nominee and beneficially owned by the Chargor at the date of this Deed and the details of which are fully described in Schedule 2 (*Particulars of the Company and the Shares*).

"Shares" means all present and future shares in the Company and beneficially owned by the Chargor, including all the shares issued and outstanding at the date of this Deed and the details of which are fully described in Schedule 2 (*Particulars of the Company and the Shares*).

"Third Parties Ordinance" means the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong).

Construction

- (a) In this Deed, unless the context otherwise requires:
 - (i) references to Clauses and Schedules are references to the clauses of, and schedules to, this Deed;
 - (ii) reference in a Clause to a sub-clause is a reference to a sub-clause of that Clause;
 - (iii) a reference to an agreement includes any contract, document, instrument or deed, an arrangement and any other kind of commitment;
 - (iv) a reference to any agreement is to that agreement as it may be amended or varied or novated by the parties thereto from time to time;
 - (v) words importing the plural include the singular and vice versa, and words importing a gender include every gender;
 - (vi) references to any person include references to his respective successors in title, permitted assigns and transferees;
 - (vii) a provision of law is a reference to that provision as amended or re-enacted; and
 - (viii) a time of day is a reference to Hong Kong time.
- (b) Clause and Schedule headings are for ease of reference only.
- (c) An Event of Default is "**continuing**" if it has not been waived by the Chargee.
- (d) Unless expressly provided otherwise, where this Deed specifies an amount in a given currency (the "**specified currency**") "**or its equivalent**", the "**equivalent**" is a reference to the amount of any other currency which, when converted into the specified currency utilising the spot rate of exchange of a bank to be selected by the Chargee for the purchase of the specified currency with that other currency at or about 11 a.m. on the relevant date, is equal to the relevant amount in the specified currency.

1.4 Third party rights

- (a) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Third Parties Ordinance to enforce or to enjoy the benefit of any term of this Deed.
- (b) Notwithstanding any term of this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.
- (c) Any Receiver or Delegate may, subject to this Clause 1.4 and the Third Parties Ordinance, rely on any Clause of this Deed which expressly confers rights on it.

1.5 Sale and Purchase Agreement

This Deed is a "Security Document" for the purposes of the Sale and Purchase Agreement.

COVENANT TO PAY

2.1 *Covenant to Pay Secured Obligations*

The Chargor covenants that it shall on demand pay to the Chargee all monies and discharge all obligations and liabilities now or hereunder due, owing or incurred by the Purchaser to the Chargee under or pursuant to the Sale and Purchase Agreement in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such monies, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Chargee or purchased (whether by assignment or otherwise) or acquired in any other way by it; denominated in whatever currency; or incurred on any current or other banking account or in any other manner whatsoever. The making of one demand under this Deed will not preclude the Chargee from making any further demands whilst any amounts remain outstanding under the Sale and Purchase Agreement.

2.2 *Potential Invalidity*

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Obligations*) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2.2, cause such covenant, obligation or security to be unlawful under any applicable law.

SECURITY

Charge

The Chargor, as legal and beneficial owner of Share A and as beneficial owner of Share B and as continuing security for the due and punctual payment and discharge of all Secured Obligations:

- (a) charges in favour of the Chargee by way of first fixed charge to the Chargee, all its rights, title and interest present and future in and to the Shares and Dividends except to the extent that such rights are subject to a valid and effective assignment by way of fixed security with first ranking priority under Clause 3.1(b); and
- (b) assigns by way of fixed security with first ranking priority, and agrees to assign by way of first fixed security absolutely to the Chargee, all its rights (including those rights it may have against a Nominee), present and future, relating to any of the Shares and/or Dividends, including without limitation:
 - (i) its rights relating to or against any depositary, Nominee or similar person with whom any of the Shares and/or Dividends may be deposited to the extent of those Shares and/or Dividends;
 - (ii) rights it may have against any person to require delivery to it of any of the Shares and/or Dividends;
 - (iii) rights to give instructions relating to any of the Shares and/or Dividends; and
 - (iv) all claims for damages and rights to receive moneys due or to become due for any reason whatsoever in respect of any of the Shares and/or Dividends,

including those rights it may have against a Nominee or a Delegate (in each case subject to the provisions of this Deed).

Further security

The Chargor shall, promptly upon the Chargee so requiring by notice to it, execute and deliver (or procure the execution and delivery of the same) to the Chargee such other Security (in such form as the Chargee shall require and, to the extent possible, on terms substantially similar to this Deed) in favour of the Chargee as the Chargee may require from time to time in order to:-

- (a) ensure that it has an effective fixed charge over the Charged Assets; and
- (b) facilitate the enforcement of the Charges, the realisation of the Charged Assets or the exercise of any rights held by the Chargee or any Receiver under or in connection with the Charges in accordance with this Deed.

Retention of documents

The Chargee shall be entitled to continue to hold any document delivered to it pursuant to Clause 4.3 (*Delivery of documents*) until the Charges (or the applicable part thereof) are released in accordance with the terms of this Deed.

RESTRICTIONS AND FURTHER ASSURANCE

Security

The Chargor shall not create or permit to subsist any Security over the Charged Assets unless such Security is created with the prior written consent of the Chargee.

Disposal

The Chargor shall not (nor shall the Chargor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, withdraw, transfer or otherwise dispose of the Charged Assets.

Delivery of documents

In furtherance of the Security created under this Deed:

- (a) the Chargor shall deliver or procure that there shall be delivered to the Chargee such documents relating to the Charged Assets as the Chargee requires for the purpose of perfecting the Charges and the following documents (in the form set out in the relevant Schedules hereto or otherwise in a form and substance reasonably satisfactory to the Chargee) (i) in respect of the Charged Assets in existence on the date of this Deed, upon execution of this Deed and (ii) in respect of any Charged Asset coming into existence or acquired by the Chargor after the date of this Deed, within five (5) Business Days after such coming into existence or acquisition, all of which documents may be held by the Chargee until all of the Charges are released:
 - (i) valid and duly issued share certificates (of each class) in respect of such Charged Assets;
 - (ii) a certified copy of the Register of Members;

- (b) the Chargor shall deliver or procure that there shall be delivered to the Chargee such documents relating to the Charged Assets as the Chargee requires for the purpose of perfecting the Charges and the following documents (in the form set out in the relevant Schedules hereto or otherwise in a form and substance reasonably satisfactory to the Chargee) (i) in respect of the Charged Assets in existence on the date of this Deed, upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion, and (ii) in respect of any Charged Asset coming into existence or acquired by the Chargor after the date of this Deed, the later of (A) five (5) Business Days after such coming into existence or acquisition and (B) the occurrence of an Event of Default, or such other time as the Chargee requests in its absolute discretion, all of which documents may be held by the Chargee until all of the Charges are released:
- (i) an undated instrument of transfer executed by each of the Chargor and the Nominee in respect of the Shares registered in its name in favour of the Chargee or its nominees (as the Chargee shall direct) in the form set out in Schedule 6 (*Form of Instrument of Transfer*);
 - (ii) undated bought and sold notes executed by the Chargor in respect of the Shares in the form set out in Schedule 7 (*Form of Bought and Sold Note*);
 - (iii) (in respect of any Charged Assets that is held by or registered in the name of any person other than the Chargor) an acknowledgement duly executed by such person in substantially the form as set out in Schedule 8 (*Form of Acknowledgement from Nominee*) in respect of such Charged Asset;
 - (iv) an irrevocable proxy and power of attorney executed by the Chargor to the Chargee in respect of shareholder's meetings and written resolutions of the Company, in the forms set out in Schedule 9 (*Form of Irrevocable Power of Attorney and Proxy*); and
 - (v) all other documents necessary to enable the Chargee to register such Charged Assets in its name or in the name of its nominees pursuant to this Deed;
- (c) the Chargor shall promptly deliver or procure that there shall be delivered to the Chargee the following documents upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion:
- (i) an undated letter of resignation duly executed by each director of the Company in substantially the form set out in Schedule 3 (*Form of Letter of Resignation*);
 - (ii) a letter of undertaking and authorisation duly executed by each director of the Company in substantially the form set out in Schedule 4 (*Form of Letter of Undertaking and Authorisation*);
 - (iii) undated written resolutions of the board of directors or sole director of the Company (as the case may be) duly executed by all of the directors or the sole director of the Company (as the case may be) in substantially the form set out in Schedule 5 (*Form of Written Resolutions*);
 - (iv) an executed irrevocable deed of undertaking and confirmation from the Company to the Chargee in the form set out in Schedule 10 (*Form of Deed of Undertaking and Confirmation from the Company to the Chargee*);

and shall (1) after the appointment of any new director(s) of the Company after the date of this Deed, procure the delivery to the Chargee of the documents referred to in paragraphs (i) and (ii) in respect of such director and (2) after the appointment or resignation of any director(s), procure the delivery to the Chargee the document referred to in paragraph (iii), in each case, upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion; and

- (d) upon any person holding any Charged Asset on behalf of the Chargor after the date of this Deed, the Chargor shall procure the delivery to the Chargee of an acknowledgement duly executed by such person in substantially the form set out in Schedule 8 (*Form of Acknowledgement from Nominee*) in respect of such Charged Asset upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion

Further assurance

- (a) The Chargor shall, at its own expense, promptly take such action as the Chargee may require:
 - (i) for the purpose of perfecting or protecting the Chargee's rights under and preserving the Charges intended to be created or evidenced by this Deed or the priority of the Charges; and
 - (ii) after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), for the purpose of facilitating the realisation of the Charged Assets or the exercise of any rights vested in the Chargee, any Receiver or any Delegate,

including the execution of any transfer, conveyance, charge, mortgage, assignment or assurance of the Charged Assets (whether to the Chargee or its nominees or otherwise), the making of any registration, the obtaining of any legal advice and the giving of any notice, order or direction.

- (b) Without prejudice to Clause 4.4(a), the Chargor shall (and, if applicable, shall procure that each Nominee will) at the request of the Chargee, within five (5) Business Days upon any transfer of any or all of the Charged Assets to the Chargee or its nominee or any purchaser in accordance with this Deed upon or after an enforcement in accordance with Clause 8 (*Enforcement*) of any of the Charges, procure the registration of such transfer in the books of the Company and the entry of the Chargee, such nominee or such purchaser (as the case may be) in the Register of Members as the holder of such Charged Assets.

Director(s) resolution

After this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), the Chargor shall procure to the extent that it is within its power as a shareholder of the Company that any transfer to or by the Chargee or its nominee or purchaser of any of the Charged Assets is duly approved by the board of directors or sole director of the Company (as the case may be) and registered in the Register of Members (if necessary, by replacing the board of directors or sole director of the Company (as the case may be) with director(s) nominated by the Chargee).

CHARGED SHARES

Voting and other rights

Subject to Clause 5.3 (*Voting and other rights if the Charges become Enforceable*), the Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share as it sees fit provided that the exercise or failure to exercise those rights will not prejudice the value of, or the ability of the Chargee to realise, the security created by this Deed.

Variation of Rights, Further Issuance

- (a) The Chargor shall not, without the prior written consent of the Chargee, by the exercise of any voting rights or otherwise, permit or agree:
 - (i) to any increase in the number of issued shares of or ownership interest in the Company (save as permitted under Clause 5.2(b));
 - (ii) any variation of the rights attaching to or conferred by all or any part of the Charged Assets; or
 - (iii) any amendment or variation of the articles of association of the Company (other than any amendment or variation required by the Chargee under this Deed).
- (b) Paragraph (i) of Clause 5.2(a) does not apply to the allotment or issuance of shares of the Company if all of such shares are fully paid-up and immediately subject to the Charges hereunder upon the allotment or issuance of the same.

Voting and other rights if the Charges become Enforceable

At any time after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*):

- (a) the Chargee or any Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Charged Asset as it sees fit;
- (b) the Chargor shall comply or procure the compliance with any directions of the Chargee or the Receiver in respect of the exercise of those rights (as long as such compliance does not contravene any applicable law or regulation) and shall promptly execute and/or deliver to the Chargee or such Receiver such forms of proxy as it may require in connection with that exercise;
- (c) the Chargee shall be entitled to transfer all or any part of the Charged Assets into the name of such nominee(s) of the Chargee as it shall require; and
- (d) the Chargee shall be entitled to exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Charged Assets, including without limitation the right, in relation to the Company whose shares, ownership interests or other securities are charged pursuant to this Deed, to concur or participate in:
 - the reconstruction, amalgamation, sale or other disposal of the Company or any of its assets or undertaking (including without limitation the exchange, conversion or reissue of any shares, ownership interests or securities as a consequence thereof);

the release, modification or variation of any rights or liabilities attaching to such shares, ownership interests or securities; and

the exercise, renunciation or assignment of any right to subscribe for any shares, ownership interests or securities,

in each case in such manner and on such terms as the Chargee may think fit, and the proceeds of any such action shall form part of the Charged Assets.

Dividends

- (a) Prior to this Deed becoming enforceable in accordance with Clause 8.1 (*When enforceable*), the Chargor shall be entitled to receive any Dividends in respect of the Shares.
- (b) At any time after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), the Chargor shall hold any and all income in respect of any or all of the Charged Assets received or recovered by him on trust for the Chargee and pay the same immediately to the Chargee as it may direct in accordance with this Deed. The Chargee shall be entitled to apply the same in accordance with Clause 11 (*Application of proceeds*) in discharge of the Secured Obligations.

Notification

The Chargor shall promptly notify the Chargee of the declaration, payment, allotment, offer or issue of any Dividend.

Payment of calls etc.

The Chargor will promptly pay or procure the payment of all calls, instalments or other payments which may at any time become due in respect of any of the Charged Assets. If the Chargor fails to make or procure such payment, the Chargee may, in its absolute discretion, make such payment on behalf of the Chargor and any sum so paid by the Chargee shall be reimbursed by the Chargor within five (5) Business Days of demand in accordance with Clause 17 (*Costs, Charges and Expenses*).

Power of attorney

If any Charged Asset is not held in the name of the Chargor or the Nominee other than as a result of the enforcement of the Charges in accordance with the terms of this Deed, the Chargor shall promptly, at the request of the Chargee, deliver or instruct the Nominee to deliver to the Chargee an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by the person in whose name that Charged Asset is held. That power of attorney shall appoint the Chargee, every Receiver and every Delegate as the attorney of the holder of that Charged Asset and shall be in substantially the same terms as set out in Clause 13 (*Power of attorney*).

GENERAL UNDERTAKINGS

Authorisation

The Chargor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect (and supply certified copies to the Chargee of) any Authorisation required

under any applicable law or regulation:

- (a) to enable it to perform its obligations under this Deed; and/or
- (b) to ensure the legality, validity, enforceability or admissibility in evidence in the Relevant Jurisdictions.

Discharge other debts

The Chargor shall punctually pay and discharge all debts and obligations in respect of the Charged Assets which by law have priority over the Charges.

Depreciation of Charged Assets

The Chargor shall not do or cause or permit to be done anything which may depreciate, jeopardise or otherwise prejudice the value of, or the ability of the Chargee to realise, any of the Charged Assets.

No deposit of Shares with any clearing house

The Chargor shall not (and shall ensure that no other person will) deposit any Shares with any depositary, custodian, clearing house or system.

Beneficial ownership

The Chargor shall, except as permitted by Clause 4.2 (*Disposal*), at all times remain the sole, absolute and beneficial owner of the Charged Assets and shall not grant or agree to grant in favour of any other person any interest in or any option or other rights in respect of any of the Charged Assets other than the right to hold Share B by the Nominee as nominee shareholder pursuant to the Declaration of Trust.

Information

The Chargor shall give to the Chargee upon receipt copies of all notices, requests and other documents sent or received with respect to the Charged Assets and give to the Chargee such other information regarding the Charged Assets as the Chargee shall reasonably require.

6.7 *No alteration in composition of the board of director(s)*

The Chargor will procure that there shall be no change in the registered office, no change to the place where the original Register of Members is kept, and no appointment of any further director(s) or officer(s) of the Company, in each case, without the prior consent in writing of the Chargee or unless expressly permitted by this Deed.

6.8 *No participation in voting concerning a members' liquidation or compromise*

The Chargor shall not without the prior written consent of the Chargee participate in any vote concerning a members' voluntary liquidation or compromise.

6.9 *Articles of association*

- (a) Subject to sub-paragraph (b) below, the Chargor shall ensure that it shall not, without the prior written consent of the Chargee, use its voting rights to permit the Company to amend its articles of association in a way which could be expected to adversely affect the interests of the Chargee.

- (b) The Chargor shall, upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion, execute and deliver to the Chargee evidence that the articles of association of the Company have been amended to remove the directors' power to veto, and any other restrictions on, transfers of the Charged Assets, pursuant to this Deed, such evidence to be by way of the original or a copy (certified by a director or secretary of the Company) of a special resolution of the members of the Company in or substantially in the form set out in Schedule 11 (*Written Resolutions of the Shareholder of the Company*) or such other form acceptable to the Chargee.

6.10 **Registration**

- (a) The Chargor shall, at its own cost, as soon as reasonably practicable after execution of this Deed:
 - (i) create and maintain a Register of Charges to the extent this has not already been done in accordance with Section 162 of the BVI Act;
 - (ii) enter particulars as required by the BVI Act of the security interests created pursuant to this Deed in the Register of Charges and immediately after entry of such particulars has been made, and in any event within five (5) Business Days of the date of this Deed, provide the Chargee with a certified true copy of the updated Register of Charges;
 - (iii) effect registration, or assist the Chargee in effecting registration, of this Deed with the Registrar of Corporate Affairs pursuant to Section 163 of the BVI Act by making the required filing, or assisting the Chargee in making the required filing, in the approved form with the Registrar of Corporate Affairs and (if applicable) provide confirmation in writing to the Chargee that such filing has been made; and
 - (iv) if the registration referred to in paragraph (iii) above is made by the Chargor and not the Chargee, immediately on receipt, but in any event within twelve (12) Business Days from the date of this Deed, deliver or procure to be delivered to the Chargee the certificate of registration of charge issued by the Registrar of Corporate Affairs evidencing that the requirements on Part VIII of the BVI Act as to registration have been complied with and the filed stamped copy of the application containing the relevant particulars of charge.
- (b) The Chargor shall promptly notify the Chargee in writing if it applies to be registered as a non-Hong Kong company under Part 16 of the Companies Ordinance at any time after the date of this Deed. Without prejudice to the foregoing, upon being registered as a non-Hong Kong company under Part 16 of the Companies Ordinance, the Chargor shall promptly:
 - (i) notify the Chargee and provide it with the details of such registration; and
 - (ii) comply with the registration requirements under the relevant provisions of the Companies Ordinance in respect of this Deed and the Security created hereby.

6.11 **Other undertakings**

- (a) The Chargor will procure that there shall be no increase or reduction in the authorised or issued shares of the Company without the prior written consent of the Chargee (such consent not to be unreasonably withheld or delayed).

- (b) The Chargor shall not, without the prior written consent of the Chargee, participate in any vote concerning a members' liquidation or compromise.

REPRESENTATIONS AND WARRANTIES

Representations

The Chargor represents and warrants to the Chargee that:

- (a) it is a BVI business company duly incorporated, validly existing and in good standing, and registered in the British Virgin Islands with limited liability under the BVI Act and it is not registered as a non-Hong Kong company under Part 16 of the Companies Ordinance nor has it made any application to be so registered;
- (b) it has the power to own its assets and carry on its business as it is being conducted;
- (c) subject further to the fulfilment of any Security Perfection Requirements, this Deed constitutes or, when so executed and delivered, will constitute legal, valid and binding obligations of the Chargor enforceable in accordance with its terms;
- (d) it has all legal power and authority to enter into this Deed and perform its obligations under this Deed and all actions required to authorise the execution and delivery of this Deed and the performance of its obligations under this Deed have been duly taken;
- (e) subject further to the fulfilment of the Security Perfection Requirements, all Authorisation required:
 - (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed;
 - (ii) to make this Deed admissible in evidence in the Relevant Jurisdictions; and
 - (iii) for it to carry on its business which is material,have been obtained or effected and are in full force;
- (f) the choice of the laws of Hong Kong as the governing law of this Deed will be recognised and enforced in the Relevant Jurisdictions and its agreement:
 - (i) that this Deed is governed by the laws of Hong Kong; and
 - (ii) not to claim any immunity to which it or its assets may be entitled,are legal, valid and binding under the laws of Hong Kong;
- (g) other than as specified in Clause 6.10 (*Registration*), under the laws of the Relevant Jurisdictions, it is not necessary that this Deed be filed, registered, recorded or enrolled with any court or other authority in any Relevant Jurisdictions or that any stamp, registration, or similar tax be paid on or in relation to this Deed or transactions contemplated by this Deed;
- (h) it is the sole beneficial owner of the Charged Assets;

- (i) the Nominee is the legal owner of Share B;
- (j) the Declaration of Trust remains in full force and effect and has not been amended, annulled or revoked;
- (k) it has not created (or permitted to subsist) any Security in any of its rights, title, interest or benefits in the Charged Assets (save as otherwise permitted or contemplated pursuant to this Deed);
- (l) except as otherwise permitted by Clause 4.2 (*Disposal*) or pursuant to this Deed, neither it nor any of any Nominee has sold or otherwise disposed of the Charged Assets or agreed to do so;
- (m) the Shares beneficially owned by the Chargor and subject to the Charges hereunder constitute the entire issued shares of and ownership interest in the Company, and there is no outstanding agreement or commitment on the part of the Company or the Chargor to issue or allot (or procure the issuance or allotment of) any Shares to any person other than the Chargor;
- (n) the Shares have been validly issued by the Company and are fully paid up and there are no monies or liabilities payable or outstanding in relation to the Shares and the Shares are free from any Security (except created under or pursuant to this Deed);
- (o) as at the date of this Deed, the particulars of the shares of the Company held by, to the order of or on behalf of the Chargor as set out in Schedule 2 (*Particulars of the Company and the Shares*) are accurate in all respects;
- (p) it has not received any notice of an adverse claim by any person in respect of the ownership of the Charged Assets or any interest in the Charged Assets;
- (q) the Shares are not issued with any preferred, deferred or other special rights or restrictions whether in regard to dividends, voting, return of any amount paid on account of shares or otherwise which are not expressly set out in the articles of association of the Company;
- (r) the Shares are freely transferable on the books of the Company and no consents or approvals are required in order to register a transfer of the Shares;
- (s) no Event of Default is continuing;
- (t) the entry into and performance of this Deed and the transactions contemplated by this Deed do not and will not conflict with or result in a breach of (i) any law, judgment or regulation or any official or judicial order, (ii) the constitutional documents of the Chargor or (iii) any agreement or document to which the Chargor is a party or which is binding upon it or any of its assets or revenues, nor cause any limitation placed on it or the powers of its directors to be exceeded or result in the creation or imposition of any Security on any of its assets or revenues pursuant to the provisions of any such agreement or document;
- (u) no litigation, arbitration or administrative proceeding is currently taking place or pending or, to the knowledge of the Chargor, threatened against the Chargor or the Company or any of their respective assets which would adversely affect the Chargor's ability to perform its obligations under this Deed;

- (v) no meeting has been convened for winding up the Chargor or the Company, nor any such step is intended by the Chargor or the Company and, so far as it is aware, no petition, application or the like is outstanding for winding up the Chargor or the Company;
- (w) subject further to the fulfilment of any Security Perfection Requirements, the obligations of the Chargor hereunder rank at least *pari passu* with all its other present and future unsecured and unsubordinated obligations save for any obligations mandatorily preferred by law and not by contract; and
- (x) the Chargor is generally subject to civil and commercial law and to legal proceedings and neither the Chargor nor any of its assets or revenues is entitled to any immunity or privilege (sovereign or otherwise) from any set off, judgment, execution, attachment or other legal process.

Repetition

The Chargor also represents and warrants to and undertakes with the Chargee that the foregoing representations and warranties will be deemed to be made each day during the period commencing on the date hereof and ending on the date upon which all Secured Obligations have been satisfied in full with reference to the facts and circumstances on each such day.

ENFORCEMENT

When enforceable

The Charges shall be immediately enforceable following the occurrence of an Event of Default which is continuing and the Chargee may, without notice to the Chargor:

- (a) enforce all or any part of any Charges (at the times, in the manner and on the terms it thinks fit) and take possession and hold or dispose of all or any part of the Charged Assets in accordance with such power granted to it pursuant to this Deed; and
- (b) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions given to a Receiver under this Deed and/or otherwise conferred by law.

Enforcement when no amounts outstanding

Without prejudice to Clause 15.6 (*Appropriations*), if the Chargee enforces the Security constituted by this Deed or receives or recovers any amount pursuant to any Charges or in connection with any Charged Assets at a time when no amounts are due under the Sale and Purchase Agreement but at a time when amounts may or will become so due, the Chargee (or any Receiver or any Delegate) may elect to pay the proceeds of any receipt or recovery made by it pursuant to such enforcement or the amount so received or recovered into an escrow account (pending application of the same from time to time in accordance with the provisions of the Sale and Purchase Agreement).

No requirement of notice period

Neither the Chargee nor any Receiver is required to give any prior notice of non-payment or default to the Chargor before enforcing any or all of the Charges in accordance with this Deed, and there is no minimum period for which Secured Obligations must remain due and unpaid before the Charges can be enforced.

No liability as mortgagee in possession

Neither the Chargee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Assets or be liable for any loss upon realisation or for any neglect, default or omission in connection with all or any part of the Charged Assets to which a mortgagee in possession might otherwise be liable (save for the gross negligence, wilful misconduct or fraud of the Chargee or the Receiver).

Wide construction of enforcement powers

The enforcement powers of the Chargee and any Receiver under this Deed shall be construed in the widest possible sense and all Parties intend that the Chargee and the Receiver shall have as wide and flexible a range of enforcement powers as may be conferred (or, if not expressly conferred, as is not restricted) by any applicable law and/or the provisions of this Deed.

8.6 *Additional power*

Without prejudice to the generality of the other provisions in this Deed, the Chargee may at any time after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*) put into effect the documents delivered under Clause 4.3 (*Delivery of documents*) and appoint its own nominees as directors and officers of the Company for the purposes of perfecting, protecting or enforcing the Charges.

8.7 *Sale of Charged Assets*

Each of the Chargee and any Receiver shall be entitled to exercise such power of sale in such manner and at such time or times and for such consideration (whether payable immediately or by instalments) as it shall in its absolute discretion think fit (whether by private sale or otherwise) and so that the Charged Asset (or any relevant part thereof) may be sold (i) subject to any conditions which the Chargee or that Receiver may think fit to impose, (ii) to any person (including, without limitation, any person connected with the Chargor or the Chargee) and (iii) at any price which the Chargee or that Receiver in its absolute discretion, considers to be the best obtainable in the circumstances taking into account the nature of the Company as a private company.

8.8 *Exercise of rights without limitations*

Each of the Chargee and any Receiver shall be entitled to exercise its rights, powers, discretions and remedies under this Deed despite any rule of law or equity to the contrary and in particular without the limitation contained in paragraph 11 of the fourth schedule to the CPO or any statutory provision which are analogous to that section under the law of any other relevant jurisdiction.

APPOINTMENT AND RIGHTS OF RECEIVERS

Appointment of Receivers

At any time after the Security hereby created has become enforceable in accordance with Clause 8 (*Enforcement*), the Chargee may, by deed, or otherwise in writing signed by any officer or manager of the Chargee or any person authorised for this purpose by the Chargee, appoint one or more persons to be a Receiver of the Charged Assets and may from time to time fix his or their remunerations. The Chargee may similarly remove any Receiver so appointed and appoint any person as additional or replacement Receiver(s). If the Chargee appoints more

than one person as Receiver, the Chargee may give those persons power to act either jointly or severally or jointly and severally.

Powers and rights of Receivers

- (a) Any Receiver appointed pursuant to this Clause 9 (*Appointment and rights of Receivers*) shall have, in relation to the Charged Assets in respect of which he is appointed:
 - (i) the rights, powers, discretions, privileges and immunities conferred on mortgagors, mortgagees in possession and/or receivers by any applicable law;
 - (ii) the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor himself could do or omit to do (including without limitation the right, in relation to the Company whose shares, ownership interests or other securities are charged pursuant to this Deed, to concur or participate in any of the matters specified in Clause 5.3(d), in each case in such manner and on such terms as such Receiver may think fit and the proceeds of any such action shall form part of the Charged Assets);
 - (iii) the powers and rights conferred on the Chargee under this Deed; and
 - (iv) the powers and rights set out in Schedule 1 (*Rights of Receivers*),
- (b) Each Receiver shall in the exercise of such Receiver's rights, powers, discretions, privileges and immunities conform to the directions and regulations from time to time given or made by the Chargee.

Agent of Chargor

Any Receiver shall be the agent of the Chargor for all purposes. The Chargor shall be solely responsible for each Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by that Receiver.

Remuneration

The Chargee may determine the remuneration of any Receiver and any maximum rate specified in any applicable legislation shall (to the extent capable of being excluded) not apply. The Chargee may direct payment of that remuneration out of moneys such Receiver receives in its capacity as such. The Chargor shall be solely liable for the remuneration and all other costs, losses, liabilities and expenses of any Receiver.

No liability for exercise of powers

Neither the Chargee nor any Receiver shall be liable for any losses, involuntary or otherwise, which arise in the exercise by the Chargee or such Receiver of its powers under this Deed unless caused by its breach of the terms of this Deed, fraud, wilful default or gross negligence.

CHARGEES RIGHTS

Delegation

Each of the Chargee and any Receiver may delegate in any manner to any person any rights exercisable by it under this Deed. Any such delegation may be made upon such terms and

conditions (including power to sub-delegate) as the Chargee or, as the case may be, such Receiver reasonably thinks fit.

Terms of disposition

In making any sale or other disposal of all or any part of the Charged Assets or any acquisition in the exercise of their respective powers (including without limitation a disposal by any Receiver or Delegate or the Chargee to any company formed pursuant to paragraph (c) (*Hive down*) of Schedule 1 (*Rights of Receivers*)), any Receiver or Delegate or the Chargee may accept or dispose of as, and by way of consideration for, such sale or other disposal or acquisition, cash, shares, loan capital or other obligations, including without limitation consideration fluctuating according to or dependent upon profit or turnover and consideration the amount whereof is to be determined by a third party. Any such consideration may, if reasonably thought appropriate by such Receiver or Delegate or the Chargee, be nil or may be payable or receivable in a lump sum or by instalments. Any contract for any such sale, disposal or acquisition by any Receiver or Delegate or the Chargee may contain conditions excluding or restricting the personal liability of such Receiver or Delegate or the Chargee.

APPLICATION OF PROCEEDS

All monies or other property hereby charged and/or assigned to or otherwise received by the Chargee or the Receiver in respect of the Charged Assets may be applied by the Chargee in or towards satisfaction of the Secured Obligations in such order of priority as the Chargee in its absolute discretion may determine (subject to the prior discharge of all liabilities having priority thereto by law) and subject to any such determination in the following order of priority:

- (a) firstly, in payment or satisfaction of all costs, charges, expenses and liabilities incurred and payments made by or on behalf of the Chargee and the Receiver in connection with the exercise of any powers hereunder and in preserving or attempting to preserve this Security or the Charged Assets and of all outgoings paid by the Chargee or the Receiver;
- (b) secondly, in payment to the Receiver of all reasonable remuneration as may be agreed between it and the Chargee;
- (c) thirdly, in or towards reduction of the Secured Obligations in such manner as the Chargee shall determine in its absolute discretion; and
- (d) lastly, the surplus (if any) shall be promptly paid to the Chargor.

LIABILITY OF CHARGE, RECEIVER AND DELEGATES

- 12.1 Neither the Chargee, any Receiver nor any Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason) be liable to the Chargor or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Charged Assets or from any act, default, omission or misconduct (other than gross negligence, wilful default or fraud) of the Chargee, any Receiver, any Delegate or their respective officers, employees or agents in relation to any or all of the Charged Assets or in connection with this Deed and/or the Sale and Purchase Agreement.
- 12.2 Nothing in this Deed shall be construed as placing on the Chargee any liability whatsoever in respect of any calls, instalments or other payments relating to any of the Charged Assets or any rights, shares or other securities accruing, offered or arising in respect of any of the Charged

Assets or such calls, instalments or payments, and the Chargor shall indemnify the Chargee within five (5) Business Days of demand in respect of all calls, instalments or other payments relating to any of the Charged Assets and/or to any rights, shares and other securities accruing, offered or arising in respect of the Charged Assets or such calls, instalments or payments in respect of any of such Charged Assets.

POWER OF ATTORNEY

Appointment

The Chargor by way of security irrevocably (within the meaning of section 4 of the Powers of Attorney Ordinance (Cap. 31 of the Laws of Hong Kong) appoints the Chargee, every Receiver and every Delegate severally as its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time after the Security hereby created has become enforceable in accordance with Clause 8 (*Enforcement*) and in such manner as the attorney thinks fit:

- (a) to do anything which the Chargor is obliged to do (but has not done) under this Deed (including to execute charges over, transfers, conveyances, assignments and assurances of, and other deeds, instruments, notices, orders and directions relating to, the Charged Assets or any part thereof); and
- (b) to exercise any of the rights conferred on the Chargee, any Receiver or any Delegate in relation to the Charged Assets (or any part thereof) or under this Deed and/or applicable laws and regulations (including without limitation, any right of a legal or beneficial owner of the Charged Assets).

Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 13.1 (*Appointment*), save for any such exercise by gross negligence, wilful misconduct or fraud.

13.3 Termination

This power of attorney created pursuant to this Clause 13 shall be terminated when the Secured Obligations have been fully repaid and discharged.

PROTECTION OF THIRD PARTIES

No duty to enquire

No person dealing with the Chargee, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether the power or rights conferred by or pursuant to this Deed are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such powers or rights have been obtained or complied with;
- (c) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers or rights; or

- (d) as to the application of any money borrowed or raised or of any proceeds of any disposition or realisation.

Protection to purchasers

- (a) The receipt of the Chargee or any Receiver or Delegate shall be conclusive discharge to a purchaser of the Charged Assets (or any part thereof) from the Chargee or such Receiver or Delegate.
- (b) No purchaser or other person dealing with the Chargee, any Receiver or any Delegate shall be bound to inquire whether the right of the Chargee, such Receiver or such Delegate to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Chargee, such Receiver or such Delegate in such dealings.

SAVING PROVISIONS

Continuing security

Subject to Clause 16 (*Discharge of Security*), the Charges are continuing security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

Reinstatement

If any payment by or recovery from the Chargor or any discharge or release given by the Chargee (whether in respect of the obligations of the Chargor or any security for those obligations) under or in connection with this Deed and/or the Sale and Purchase Agreement is avoided or reduced for any reason including, without limitation, as a result of insolvency, breach of fiduciary or statutory duties or any similar event:

- (a) the liabilities of the Chargor hereunder and the Charges shall continue as if such payment, recovery, discharge or release had not occurred; and
- (b) the Chargee shall be entitled to recover the value or amount of that payment or recovery from the Chargor and any and all Charges hereunder, as if such payment, recovery, discharge or release had not occurred.

Cumulative rights

The security created by or pursuant to this Deed, and the rights, powers and remedies of the Chargee provided by or pursuant to this Deed, shall be cumulative, in addition to and independent of every other security which the Chargee may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Chargee over the whole or any part of the Charged Assets shall merge into the Security constituted by this Deed.

Waiver of defences

Neither the obligations of the Chargor under this Deed nor the Charges will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release, affect or prejudice any of the Chargor's obligations under this Deed or any of the Charges (without limitation and whether or not known to it or the Chargee) including:

- (a) any time, waiver or consent granted to, or composition with the Chargor, the Purchaser or any other person;
- (b) the release of the Chargor, the Purchaser or any other person under the terms of any composition or arrangement with any creditor of the Chargor, the Purchaser or other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or security over assets of, the Chargor the Purchaser or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise any security;
- (d) any incapacity or lack of power, authority or legal personality of the Chargor, the Purchaser or any person or dissolution or change in the members or status or constitution of the Chargor or any other person;
- (e) any amendment (however fundamental) or replacement of the Sale and Purchase Agreement, any Security Document or any other document or security;
- (f) any variation of the terms of the trust upon which the Chargee holds the Security constituted by this Deed;
- (g) any unenforceability, illegality or invalidity of any obligation of any person under the Sale and Purchase Agreement, any Security Document or any other document or security;
- (h) any insolvency or similar proceedings;
- (i) this Deed, the Sale and Purchase Agreement or any Security Document not being validly executed by or binding against any party; or
- (j) any other Security, guarantee or indemnity now or thereafter, held by the Chargee or any other person in respect of the Secured Obligations or any other liabilities.

Immediate recourse

The Chargor waives any right it may have of first requiring the Chargee (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 Chargor under this Deed. This waiver applies irrespective of any law or any provision of the Sale and Purchase Agreement to the contrary.

Appropriations

Until all the Secured Obligations have been unconditionally and irrevocably paid in full and no further Secured Obligations may become outstanding, the Chargee (or any trustee or agent on its behalf) may, whether any of the Secured Obligations is overdue:

- (a) refrain from applying or enforcing any other moneys, security or rights held, received or recovered by it (or any trustee or agent on its behalf), or apply and enforce the same in such manner and order as it sees fit (save as otherwise expressly provided in this Deed) and the Chargor shall not be entitled to the benefit of the same; and/or

- (b) hold in a suspense account any moneys received or recovered from the Chargor or on account of any Charged Asset or the Chargor's liability under this Deed (pending application of the same from time to time in accordance with the provisions of this Deed).

Deferral of Chargor's rights

Until the Secured Obligations have been unconditionally and irrevocably paid or discharged in full, the Chargor shall not:

- (a) exercise any rights which it may have by reason of the performance by it of its obligations under this Deed:
 - (i) to be indemnified by any person;
 - (ii) to claim any contribution from the Purchaser or any other guarantor of the Purchaser's obligations under the Sale and Purchase Agreement; and/or
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Chargee under the Sale and Purchase Agreement or of any guarantee or other security taken pursuant to, or in connection with, the Sale and Purchase Agreement by the Chargee; or
- (b) accept or permit to subsist any Security from the Purchaser or any other person in respect of any rights the Chargor may have arising out of this Deed. Notwithstanding the foregoing, if any such Security shall be accepted or subsisting, the Chargor acknowledges that its rights under such Security shall be held on trust for the Chargee.

Additional Security

The Charges are in addition to and are not in any way prejudiced by any other guarantees or Security now or subsequently held by the Chargee in connection with the Secured Obligations.

Subsequent Security

If the Chargee (or any trustee or agent on its behalf) at any time receives or is deemed to have received notice of any subsequent security affecting all or any part of the Charged Assets or any assignment, transfer or disposition of all or any part of the Charged Assets which is prohibited by the terms of this Deed, all payments thereafter by or on behalf of the Chargor to the Chargee (or any trustee or agent on its behalf) shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Chargee (or any trustee or agent on its behalf) received such notice.

DISCHARGE OF SECURITY

Final redemption

- (a) Subject to Clauses 15.2 (*Reinstatement*) and 16.2 (*Retention of security*), on or after the Release Date, the Chargee shall promptly at the request (but in any event, within five (5) Business Days of such request) and cost of the Chargor release, reassign or discharge (as appropriate) the Charged Assets from the Charges (except to the extent already disposed of or enforced against in accordance with this Deed) and, as soon as reasonably practicable, perform such other actions as may be reasonably requested by the Chargor to effect such release, reassignment and/or discharge, in each case without

recourse to, or any representation or warranty by, the Chargee or its nominee and the Chargee shall return to the Chargor all documents delivered to the Chargee pursuant to Clause 4.3 (*Delivery of documents*).

- (b) For those Charged Assets which have been transferred and registered under the name of the Chargee or its nominee, the Chargee shall only be obliged to return the share certificate(s) then representing the Charged Assets not yet disposed of or realised by the Chargee pursuant to its powers under this Deed (but not the original share certificates originally delivered to the Chargee by the Chargor) with the instruments of transfer duly executed in favour of the Chargor or such other person as the Chargor may direct. The Chargee shall also, at the Chargor's cost, execute and deliver to the Chargor such other documents and provide such other assistance as the Chargor may reasonably request for the purpose of transferring the title to and interest in such Charged Assets back to the Chargor.

Retention of security

If the Chargee considers that any amount paid or credited to or recovered by it under this Deed and/or the Sale and Purchase Agreement is capable of being avoided or otherwise set aside on the bankruptcy of the Chargor, the Purchaser or any other person, or otherwise, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been unconditionally and irrevocably paid.

Consolidation

Any restrictions on the consolidation of Security shall be excluded to the fullest extent permitted by law and the Chargee shall, so far as it is lawful and subject to other provisions of this Deed, be entitled to consolidate all or any of the Charges with any other Security whether in existence on the date of this Deed or in the future.

COSTS, CHARGES AND EXPENSES

The Chargor shall within three (3) Business Days of demand pay to or reimburse the Chargee and the Receiver for:

- (a) all costs, charges and expenses (including legal and other fees on a full indemnity basis) incurred by the Chargee or the Receiver in exercising any of its or their rights or powers hereunder or in suing for or seeking to recover any sums due hereunder or otherwise preserving or enforcing its or their rights hereunder or in connection with the preservation or attempted preservation of the Charged Assets or in defending any claims brought against it or them in respect of this Deed or the Chargor's interest in the Charged Assets or in releasing or reassigning this Deed upon payment of all monies hereby secured; and

- (b) for all remuneration payable to the Receiver,

and until payment of the same in full, all such costs, charges, expenses and remuneration shall be secured by this Deed.

PAYMENTS

All payments by the Chargor or any other person under this Deed shall be made to such account, with such financial institution and in such other manner as the Chargee may

reasonably direct, and shall be made in full in immediately available funds without any set-off or counterclaim or any restriction or condition whatsoever and free and clear of any Taxes, deductions or withholdings save as required by law.

TAX GROSS UP

If at any time the Chargor or any other person is required to make any deduction or withholding in respect of Taxes or otherwise from any payment due under this Deed for the account of the Chargee, the sum due from the Chargor in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Chargee receives on the due date for such payment (and retain, free from and clear of any Taxes or otherwise) a net sum equal to the sum which they would have received had no such deduction or withholding been required to be made and the Chargor shall indemnify the Chargee against any losses or costs incurred by it by reason of any failure of the Chargor to make any such deduction or withholding or by reason of any increased payment not being made on the due date for such payment. The Chargor shall promptly deliver to the Chargee any receipts, certificates or other proof evidencing the amounts (if any) paid or payable in respect of any deduction or withholding as aforesaid.

SEPARATE AND INDEPENDENT OBLIGATIONS

The Security constituted by this Deed is separate from and independent of the Security created by any other person in connection with the Sale and Purchase Agreement.

CONDUCT OF BUSINESS BY THE CHARGE

No provision of this Deed will:

- (a) interfere with the right of the Chargee to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige the Chargee to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige the Chargee to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Taxes.

OTHER INDEMNITIES

General indemnity

The Chargor shall indemnify and keep indemnified the Chargee and the Receiver from and against all losses, liabilities, damages, costs (including, but not limited to, legal costs), charges and expenses which the Chargee shall incur in connection with the exercise of any powers conferred by this Deed or the perfection, preservation or enforcement of the Security constituted by this Deed and against all actions, proceedings, claims, demands, costs (including, but not limited to, legal costs), charges and expenses which may be incurred, sustained or arise in respect of the non-performance or non-observance of any of the undertakings and agreements on the part of the Chargor herein contained or in respect of any matter or thing done or omitted relating in any way whatsoever to the Charged Assets (except

for such matter or thing done or omitted due to the gross negligence, wilful misconduct or fraud of the Chargee, any Receiver or any Delegate).

Currency indemnity

If an amount due to the Chargee or the Receiver from the Chargor in one currency (the "**first currency**") is received by the Chargee or the Receiver in another currency (the "**second currency**"), the Chargor's obligations to the Chargee or the Receiver in respect of such amount shall only be discharged to the extent that the Chargee or the Receiver may purchase the first currency with the second currency in accordance with normal banking practice. If the amount of the first currency which may be so purchased (after deducting any costs of exchange and any other related costs) is less than the amount so due, the Chargor shall indemnify the Chargee or the Receiver against the shortfall. This indemnity shall be an obligation of the Chargor independent of and in addition to its other obligations under this Deed.

Indemnities separate

Each indemnity in this Deed shall:

- (a) constitute a separate and independent obligation from the other obligations in the Sale and Purchase Agreement or any Security Document;
- (b) give rise to a separate and independent cause of action;
- (c) apply irrespective of any indulgence granted by the Chargee;
- (d) continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of the Secured Obligations or any other judgment or order; and
- (e) apply whether or not any claim under it relates to any matter disclosed by the Chargor or otherwise known to the Chargee.

SET-OFF

- (a) Without prejudice to any right of set-off, combination of accounts, lien or other rights which the Chargee is at any time entitled whether by operation of law or contract or otherwise, the Chargee may (but shall not be obliged to) set off against any obligation of the Chargor which is due and payable by it hereunder without prior notice any moneys held by the Chargee for the account of the Chargor at any office of the Chargee anywhere and in any currency. The Chargee may effect such currency exchanges as are appropriate to implement such set-off.
- (b) If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

ASSIGNMENTS AND TRANSFERS

No Assignments or Transfers by the Chargor

The Chargor shall not assign or transfer any or all of its rights and/or obligations under this Deed except with the prior written consent of the Chargee.

Assignment and Transfer by Chargee to Successor

The Chargee may assign and/or transfer all or any of its rights and/or obligations under this Deed to any person, and make disclosures at its own discretion or as it deems necessary.

REMEDIES, WAIVERS, CERTIFICATE, SEVERABILITY AND COUNTERPARTS

25.1 *Waivers*

Time shall be of the essence under this Deed but no failure or delay on the part of the Chargee to exercise any power, right or remedy under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise by the Chargee of any power, right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy.

25.2 *Remedies*

The remedies provided in this Deed are cumulative and are not exclusive of any remedies provided by law.

25.3 *Severability*

If any provision of this Deed is prohibited or unenforceable in any jurisdiction, such prohibition or unenforceability shall not invalidate the remaining provisions hereof or affect the validity or enforceability of such provision in any other jurisdiction.

25.4 *Counterparts*

This Deed may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any Party may execute this Deed by signing any such counterpart.

25.5 *Execution as a deed*

It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

NOTICES

26.1 *Notices*

Any notice or communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by (a) fax (if a fax number has been identified with such Party's name below or (b) letter.

26.2 *Delivery*

- (a) Any communication or document made or delivered by one person to another under or in connection with this Deed will be effective:

- (i) if by way of fax, only when received in legible form; or
- (ii) if by way of letter, only when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 26.3 (*Addresses*), if addressed to that department or officer.

- (b) Any communication or document to be made or delivered to the Chargee will be effective only when actually received by the Chargee and then only if it is expressly marked for the attention of the department or officer identified in Clause 26.3 (*Addresses*) (or any substitute department or officer as the Chargee shall specify for this purpose).
- (c) Any communication or document which becomes effective, in accordance with paragraphs (a) to (b) above, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

26.3 *Addresses*

Notices or communications shall be sent to the following addresses:-

To the Chargor:

Address: Suite 8115, 8/F, MassMutual Tower, 33 Lockhart Road, Wanchai, Hong Kong
Fax: 2892 0361
Attention: Choi Chung Yin

To the Chargee:

Address: Suite 1105, 11th Floor, Tower 6, The Gateway, 9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Fax: 2802 2697
Attention: Shum Sai Chit

26.3 *Languages*

Each notice or document referred to in this Deed or to be delivered under this Deed shall be in the English language.

GOVERNING LAW AND JURISDICTION

27.1 *Governing Law*

This Deed is governed by and shall be construed in accordance with the laws of Hong Kong.

27.2 Submission to Jurisdiction

For the benefit of the Chargee, the Chargor irrevocably agrees that the courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that, accordingly, any legal action or proceedings arising out of or in connection with this Deed ("**Proceedings**") may be brought in those courts and the Chargor irrevocably submits to the exclusive jurisdiction of those courts.

27.3 Other jurisdictions

Nothing in this Clause 27 (*Governing Law and Jurisdiction*) shall limit the right of the Chargee to take proceedings against the Chargor in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the Chargee from taking Proceedings in any other jurisdiction, whether concurrently or not.

27.4 Waiver of inconvenient forum

The Chargor irrevocably waives any objection which it may at any time have to the laying of the venue of any Proceedings in any court referred to in this Clause 27 (*Governing Law and Jurisdiction*) and any claim that any such Proceedings have been brought in an inconvenient forum.

27.5 Service of Process

Without prejudice to any other mode of service allowed under any relevant law, the Chargor:

- (a) irrevocably appoints Choi Chung Yin at its registered address (which, as at the date of this Deed, is Suite 8115, 8/F, Massmutual Tower, 33 Lockhart Road, Wanchai, Hong Kong) as its agent for service of process in relation to any proceedings before the Hong Kong courts in connection with this Deed; and
- (b) agrees that failure by a process agent to notify the Chargor of the process will not invalidate the proceedings concerned.

27.6 Waiver of Immunities

To the extent that the Chargor has or hereafter may acquire any immunity (sovereign or otherwise) from any legal action, suit or proceeding, from jurisdiction of any court or from set-off or any legal process (whether service or notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) with respect to itself or any of its property, the Chargor hereby irrevocably waives and agrees not to plead or claim such immunity in respect of its obligations under this Deed.

IN WITNESS whereof this Deed has been executed by the parties hereto and is intended to be and is hereby delivered by the Chargor as a deed on the day and year first above written

RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 9 (*Appointment and Rights of Receivers*) shall, after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), have the right, either in his own name or in the name of the Chargor (notwithstanding any bankruptcy of such Chargor) or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

(a) **Take possession**

to take possession of the Charged Assets, and to require payment to it of all Dividends including without limitation, to complete any instruments of transfer and to procure the transfer of the Charged Assets into the name of the Chargee or its nominee and, if necessary, take possession of and collect the share certificates and/or other documents of title relating to the Charged Assets, in each case, at the cost and risk of the Chargor;

(b) **Deal with Charged Assets**

to sell, transfer, assign, exchange or otherwise dispose of or realise the Charged Assets to any person (including a new company formed pursuant to paragraph (c) (*Hive down*)) either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred);

(c) **Hive down**

to form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or part thereof or any rights attaching thereto;

(d) **Borrow money**

to borrow or raise money either unsecured or on the security of the Charged Assets (either in priority to the Charges or otherwise);

(e) **Rights of ownership**

to exercise and do (or permit the Chargor or any Nominee to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute legal or beneficial owner of the Charged Assets (including without limitation the exercise of any or all of the voting rights in respect of the Charged Assets and the right to receive Dividends);

(f) **Covenants and guarantees**

to enter into bonds, covenants, guarantees, indemnities and other commitments and to make all payments needed to effect, maintain or satisfy them and to use the company seal of the Company;

(g) **Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person relating to the Charged Assets;

- (h) **Legal actions**
- to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets and in addition to take or defend proceedings for the compulsory winding-up of the Chargor and proceedings for directions under Section 255 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong);
- (i) **Redemption of Security**
- to redeem any Security (whether or not having priority to the Charges) over the Charged Assets and to settle the accounts of any person with an interest in the Charged Assets;
- (j) **Spend money**
- in the exercise of any of the above powers, to spend such sums as he may properly think fit and the Chargor shall forthwith on demand repay to the Chargee or the Receiver (as the case may be) all sums so spent together with interest on those sums at such rates as the Chargee may from time to time properly determine from the time they are paid or incurred and until repayment those sums (together with such interest) shall be secured by the Charges;
- (k) **Acquisitions**
- to purchase, lease, hire or otherwise acquire any assets or rights of any description which he shall in his absolute discretion consider necessary for the improvement or realisation of the whole or any part of the Charged Assets or otherwise for the benefit of the whole or any part of the Charged Assets;
- (l) **Receipts**
- to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Asset;
- (m) **Delegation**
- to delegate his powers in accordance with Clause 10.1 (*Delegation*);
- (n) **Appointment and Removal of Directors**
- to complete, date and put into effect any stock transfer form, share transfer certificate or any other form of instrument of transfer delivered in relation to the Charged Assets or any part thereof pursuant to Clause 4 (*Restrictions and Further Assurance*), any letter of resignation, any undated resolution(s) of the board of directors or sole director of the Company (as the case may be) and/or any other document(s) delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) and to exercise all powers of appointment and/or removal of the directors of the Company attaching to the Charged Assets or any part thereof; and
- (o) **Other powers**
- to do anything else he may think fit for the realisation of the Charged Assets or incidental to the exercise of any of the rights conferred on the Chargee or any Receiver under or by virtue of this Deed and/or applicable statutory provisions and common law.

PARTICULARS OF THE COMPANY AND THE SHARES

REGISTERED SHAREHOLDER / NOMINEE SHAREHOLDER	DESCRIPTION AND NUMBER OF ISSUED SHARE(S)	BENEFICIAL OWNER
<u>SHARE A</u>		
GROUP SENSE MANUFACTORY COMPANY LIMITED Place of Incorporation: <u>British Virgin Islands</u> Company Number: <u>46373</u> Registered office: Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	1 ordinary share Share No. 3	GROUP SENSE MANUFACTORY COMPANY LIMITED Place of Incorporation: <u>British Virgin Islands</u> Company Number: <u>46373</u> Registered office: Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
<u>SHARE B</u>		
GROUP SENSE SERVICES LIMITED Place of Incorporation: <u>Hong Kong</u> Company number: <u>654921</u> Registered Office: Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	1 ordinary share Share No. 5	GROUP SENSE MANUFACTORY COMPANY LIMITED Place of Incorporation: <u>British Virgin Islands</u> Company Number: <u>46373</u> Registered office: Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands

FORM OF LETTER OF RESIGNATION

To: [The Board of Directors]
Group Sense Manufactory Company Limited
(權智製造有限公司)
(the "**Company**")

Date: [to be left blank]

Dear Sirs,

Resignation

I hereby tender my unconditional and irrevocable resignation as a director of the Company with effect from the date of this letter. I confirm that:

1. I have no claims whatsoever against the Company on any account (whether for loss of office, for accrued remuneration or for fees or otherwise howsoever); and
2. there is no outstanding agreement or arrangement with the Company under which the Company has or would have any obligation to me whether now or in the future or under which I would derive any benefit.

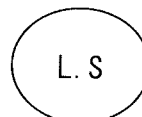
SIGNED, SEALED and DELIVERED

as a **DEED** by

[name of director]

in the presence of

)
)
)
)



Witness:

FORM OF LETTER OF UNDERTAKING AND AUTHORISATION

To: Group Sense (International) Limited as Chargee (as defined in the Share Charge referred to below, which expression shall include its and any subsequent successors, assigns and transferees)

Dear Sirs,

Share Charge dated [] between Group Sense Manufactory Company Limited as chargor and Group Sense (International) Limited as chargee (the "Share Charge") in respect of the entire issued shares in Group Sense Manufactory Company Limited (權智製造有限公司) (the "Company")

I hereby unconditionally and irrevocably:

1. undertake to procure, to the extent of my powers as a director of the Company, that any or all of the shares in the Company which are charged to the Chargee pursuant to the Share Charge shall upon your request (given at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms) be promptly registered in the name of the Chargee or (at the request of the Chargee) any person(s) whom the Chargee may nominate (and hereby permits the Chargee or its nominee(s) to register the transfer of shares in the name of the Chargee or any person(s) whom the Chargee may nominate in such circumstances, if it/they have custody of the original Register of Members); and
2. authorise each of the Chargee and any other person(s) authorised by the Chargee severally to complete, date and put into effect:
 - (a) any letter of resignation signed by me and delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) of the Share Charge;
 - (b) any written resolutions of the board of directors of the Company signed by me delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) of the Share Charge; and
 - (c) any other document signed by me and delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) of the Share Charge,

at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms.

Dated:

SIGNED, SEALED and DELIVERED

as a **DEED** by

[name of relevant director]

in the presence of

Witness:

)
)
)
)

L. S

FORM OF WRITTEN RESOLUTIONS

GROUP SENSE MANUFACTORY COMPANY LIMITED

(權智製造有限公司)

(incorporated in Hong Kong)

(the "Company")

WRITTEN RESOLUTIONS OF
THE BOARD OF DIRECTORS OF THE COMPANY

IT IS RESOLVED THAT:

1. each of the following transfer(s) of the share(s) in the Company be approved and that, upon the delivery to any director of the Company of a duly completed instrument of transfer in respect of any of the following transfer(s), the name of the relevant transferee(s) be entered forthwith in the Register of Members of the Company in respect of the relevant share(s) so transferred and that new share certificate(s) in respect of such share(s) be issued forthwith to such transferee(s) in accordance with the Articles of Association of the Company:

Transferor(s)

Transferee(s)

No. of Share(s)

[to be left blank]

2. each of the following person(s) be appointed as additional director(s) of the Company with immediate effect:

[to be left blank]

3. the resignation of the following person(s) as director(s) of the Company be accepted with immediate effect:

[to be left blank]

4. the register of directors of the Company be updated to record the above changes in directors.

Dated: [to be left blank]

[all the director(s) of the Company to state their names and sign]

[Name of Director]

[Name of Director]

FORM OF INSTRUMENT OF TRANSFER

GROUP SENSE MANUFACTORY COMPANY LIMITED

(權智製造有限公司)

(the "Company")

INSTRUMENT OF TRANSFER

INSTRUMENT OF TRANSFER dated _____ *[leave undated]*
[Name of Chargor or Nominee] (the "**Transferor**") does hereby transfer to
_____ of
_____ (the "**Transferee**")
_____ (the "**Shares**") of a par value of _____ each in the
Company.

SIGNED for and on behalf of the
TRANSFEROR:

) _____
) Duly Authorised Signatory
)
) Name: _____
)
) Title: _____
)

And I/we do hereby agree to take the Shares.

SIGNED for and on behalf of **TRANSFEE:**

) _____
) Duly Authorised Signatory
)
) Name: _____
)
) Title: _____
)

Address of Transferee:

BOUGHT AND SOLD NOTES

SOLD NOTE

Buyer
Address

Name of company in which the share(s) to be transferred -

GROUP SENSE MANUFACTORY COMPANY LIMITED
(權智製造有限公司)

Number of share(s)

Consideration received

(Seller)

For and on behalf of
[Name of relevant Chargor]

Dated: [to be left blank]

BOUGHT NOTE

Seller
Address

Name of company in which the share(s) to be transferred -

GROUP SENSE MANUFACTORY COMPANY LIMITED
(權智製造有限公司)

Number of share(s)

Consideration paid

(Buyer)

For and on behalf of

Dated: [to be left blank]

Share Charge (over shares in Group Sense Manufactory Company Limited)

Share Charge (over shares in Group Sense Manufactory Company Limited)

FORM OF ACKNOWLEDGMENT FROM NOMINEE

To: Group Sense (International) Limited as Chargee (as defined in the Share Charge referred to below, which expression shall include its and any subsequent successors, assigns and transferees)

Dear Sirs,

At the request of Group Sense Manufactory Company Limited (the "**Chargor**"), we hereby:

1. warrant and confirm that we are the registered holder(s) of [*insert number and description of relevant Charged Assets*] (the "**Share**") and am holding the Share as nominee for and on behalf of the Chargor;
2. acknowledge that the Chargor has, pursuant to a share charge (as amended from time to time, the "**Share Charge**") dated _____ 2018 between, the Chargor as chargor, and Group Sense (International) Limited as chargee, charged the Share in favour of you as security upon the terms and conditions specified therein;
3. undertake that we shall, upon and at all times after notification by you to us that the security constituted by the Share Charge has become enforceable in accordance with the terms therein, hold the Share on trust for you (or any other person whom you may nominate);
4. undertake that we shall, upon being requested by you to do so, transfer the legal title in the Share to you (or any other person whom you may nominate) and do all acts and execute all documents as may be necessary and/or as you may require for such purpose; and
5. irrevocably and unconditionally appoint each of you, any Receiver (as defined in the Share Charge) and any Delegate (as defined in the Share Charge) severally to be our attorney on the terms of Clause 13 (*Power of Attorney*) of the Share Charge (*mutatis mutandis*) as if we were the Chargor, and undertake to execute such further powers of attorney in such form as you may reasonably require from time to time.

Dated:

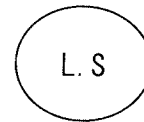
[in the case where the relevant Nominee is a company incorporated in Hong Kong or a company incorporated outside Hong Kong which has a company seal]

THE COMMON SEAL of)
[name of relevant Nominee])
was hereunto affixed)
in the presence of)

Witness:

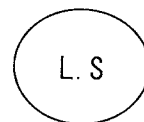
[in the case where the relevant Nominee is a company outside Hong Kong which does not have any company seal]

SIGNED, SEALED and DELIVERED)
as a **DEED** by)
[*name of relevant authorised signatory*])
for and on behalf of)
[*name of relevant Nominee*])
in the presence of)



Witness:

[*in the case where the relevant Nominee is an individual*]
SIGNED, SEALED and DELIVERED)
as a **DEED** by)
[*name of relevant Nominee*])
in the presence of)



Witness:

FORM OF IRREVOCABLE POWER OF ATTORNEY AND PROXY

GROUP SENSE MANUFACTORY COMPANY LIMITED

(incorporated in the British Virgin Islands)

(the "**Company**")

The undersigned, Group Sense Manufactory Company Limited, hereby constitutes and appoints **Group Sense (International) Limited** to be our attorney and proxy (hereinafter called the "**Attorney and Proxy**") to, at any time after the security constituted by the Share Charge (as defined below) shall have become enforceable under clause 8.1 (*When enforceable*) of the Share Charge, appear, vote and otherwise act, all in the name, place and stead of the undersigned in the same way that the undersigned might do and with the same powers, with respect to all of the shares or stock in **Group Sense Manufactory Company Limited** (**權智製造有限公司**) (hereinafter called the "**Company**"), owned or hereinafter acquired by the undersigned that are subject to the Share Charge, at any and all meetings of the shareholders of the Company, on any and all matters, questions and resolutions that may come before such meetings, including, but not limited to, the election of director(s) or at any adjournment(s) thereof, or to consent on behalf of the undersigned in the absence of a meeting to anything that might have been voted on at such a meeting.

This Power of Attorney and Proxy is coupled with the interest of **Group Sense (International) Limited** as chargee pursuant to a Share Charge dated _____ in respect of the issued shares of the Company (the "**Share Charge**") and is irrevocable. It shall continue in effect after the security constituted by the Share Charge shall have become enforceable in accordance with its terms and so long as the debt for which the charge contained in the said Share Charge granted as a security remains unpaid.

The Attorney and Proxy named herein is hereby given full power of substitution and revocation and may act through such agents, nominees or substitute attorney(s) as it may from time to time appoint.

The power of the Attorney and Proxy shall include (without limiting its general powers hereunder) the power to receive and waive any notice of any meeting on behalf of the undersigned.

And the undersigned agrees to ratify and confirm all that the said Attorney and Proxy or its substitutes duly appointed shall do in the name, place and stead of the undersigned pursuant hereto, save for the gross negligence, wilful misconduct or fraud of the said Attorney and Proxy or its substitutes, agents, nominees or substitute attorneys.

IN WITNESS whereof this instrument has been duly executed as a deed this _____ day of _____.

EXECUTED)
as a **DEED** by)
GROUP SENSE MANUFACTORY COMPANY)
LIMITED)
in the presence of)

Signature of Witness

Name: _____
Address: _____

FORM OF DEED OF UNDERTAKING AND CONFIRMATION FROM THE COMPANY TO THE CHARGE

GROUP SENSE MANUFACTORY COMPANY LIMITED

(權智製造有限公司)

(incorporated in Hong Kong)

(the "Company")

Date:

To: Group Sense (International) Limited (the "Chargee")

Dear Sirs

GROUP SENSE MANUFACTORY COMPANY LIMITED (權智製造有限公司) (THE "COMPANY")

(1)

We refer to the share charge in respect of Shares of the Company dated [Date] between Group Sense Manufactory Company Limited (the "Chargor") and the Chargee whereby, *inter alia*, the Chargor granted a charge over the Shares in favour of the Chargee (the "Share Charge").

Capitalised words and expressions used in this deed poll which are not expressly defined herein have the meanings ascribed to them in the Share Charge.

This deed of undertaking and confirmation is given pursuant to the Share Charge.

For valuable consideration receipt of which is hereby acknowledged, the Company hereby irrevocably and unconditionally undertakes to, at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms, register (and hereby permits the Chargee or its nominee(s), if it has custody of the original Register of Members to register) in the Register of Members any and all share transfers to the Chargee or its nominee in respect of the Shares submitted to the Company by the Chargee.

THIS DEED POLL has been executed and delivered as a Deed Poll on the day and year first above written.

EXECUTED AS A DEED for and on behalf of)
GROUP SENSE MANUFACTORY)
COMPANY LIMITED (權智製造有限公司))
by:)

)
) _____
) Duly Authorised Signatory
) Name: _____
) Title: _____

in the presence of:

Signature of Witness
Name: _____

Share Charge (over shares in Group Sense Manufactory Company Limited)

Address:

WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY

GROUP SENSE MANUFACTORY COMPANY LIMITED

(incorporated Hong Kong)

(權智製造有限公司)

(the "Company")

WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY

AMENDMENT OF ARTICLES OF ASSOCIATION

RESOLVED THAT the following resolution be passed as a Special Resolution of the Company:

"That the Articles of Association of the Company be and are hereby amended by deleting the existing article 39 in its entirety and replacing it with the following articles:

‘39(a). Subject to article 39(b), the directors may decline to register any transfer of shares to any person without giving any reason therefor. The directors may suspend the registration of transfer during the twenty-one days immediately preceding the Annual General meeting in each year. The directors may decline to register any instrument of transfer, unless (a) a fee not exceeding two dollars is paid to the company in respect thereof, and (b) the instrument of transfer is accompanied by the Certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer.

39(b). Subject to the articles of association of the company and the Ordinance, the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof where such transfer is:

- (i) to any mortgagee or chargee in favour of whom the relevant shares have been mortgaged or charged;
- (ii) by any such mortgagee or chargee, pursuant to the power of sale under its security;
- (iii) by any such mortgagee or chargee in accordance with the terms of the relevant security document.

39(c). Notwithstanding article 31, any lien which the company may have on shares which have been charged by way of security to any mortgagee or chargee shall not be exercisable by the company insofar as that may affect the interest of such mortgagee or chargee."

For and on behalf of

Group Sense Manufactory Company Limited

Name:

Title:

Date:

SIGNATURE PAGE

THE CHARGOR

EXECUTED as a **DEED** by)
)
for and on behalf of)
GROUP SENSE MANUFACTORY COMPANY)
LIMITED)
in the presence of:-)

THE CHARGE

SIGNED by)
for and on behalf of)
GROUP SENSE (INTERNATIONAL))
LIMITED)
in the presence of:-)

Part B

Private & Confidential

Dated _____ **2018**

GROUP SENSE (HOLDING) LIMITED
(as Chargor)

in favour of

GROUP SENSE (INTERNATIONAL) LIMITED
(as Chargee)

SHARE CHARGE
in respect of the entire issued shares of
GROUP SENSE LIMITED (權智有限公司)

ReedSmith
Richards Butler

CONTENTS

<u>CLAUSE</u>	<u>PAGE</u>
1. DEFINITIONS AND CONSTRUCTION.....	1
2. COVENANT TO PAY.....	5
3. SECURITY.....	5
4. RESTRICTIONS AND FURTHER ASSURANCE.....	6
5. CHARGED SHARES.....	9
6. GENERAL UNDERTAKINGS	10
7. REPRESENTATIONS AND WARRANTIES	13
8. ENFORCEMENT.....	15
9. APPOINTMENT AND RIGHTS OF RECEIVERS	16
10. CHARGEES RIGHTS.....	17
11. APPLICATION OF PROCEEDS.....	18
12. LIABILITY OF CHARGE, RECEIVER AND DELEGATES	18
13. POWER OF ATTORNEY.....	19
14. PROTECTION OF THIRD PARTIES.....	19
15. SAVING PROVISIONS.....	20
16. DISCHARGE OF SECURITY.....	22
17. COSTS, CHARGES AND EXPENSES.....	23
18. PAYMENTS.....	23
19. TAX GROSS UP	24
20. SEPARATE AND INDEPENDENT OBLIGATIONS.....	24
21. CONDUCT OF BUSINESS BY THE CHARGE.....	24
22. OTHER INDEMNITIES	24
23. SET-OFF	25
24. ASSIGNMENTS AND TRANSFERS	26
25. REMEDIES, WAIVERS, CERTIFICATE, SEVERABILITY AND COUNTERPARTS	26
26. NOTICES	26
27. GOVERNING LAW AND JURISDICTION.....	27
SCHEDULE 1 RIGHTS OF RECEIVERS	29
SCHEDULE 2 PARTICULARS OF THE COMPANY AND THE SHARES	31
SCHEDULE 3 FORM OF LETTER OF RESIGNATION.....	32
SCHEDULE 4 FORM OF LETTER OF UNDERTAKING AND AUTHORISATION	33
SCHEDULE 5 FORM OF WRITTEN RESOLUTIONS	34
SCHEDULE 6 FORM OF INSTRUMENT OF TRANSFER.....	35
SCHEDULE 7 BOUGHT AND SOLD NOTES.....	36
SCHEDULE 8 FORM OF ACKNOWLEDGMENT FROM NOMINEE.....	38

SCHEDULE 9	
FORM OF IRREVOCABLE POWER OF ATTORNEY AND PROXY	40
SCHEDULE 10	
FORM OF DEED OF UNDERTAKING AND CONFIRMATION FROM THE COMPANY TO THE CHARGEES.....	41
SCHEDULE 11	
WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY	43
SIGNATURE PAGE	

THIS DEED is made on

2018 between:

- (1) **GROUP SENSE (HOLDING) LIMITED**, a BVI business company incorporated under the laws of the British Virgin Islands with limited liability and with company number 46372 and whose registered office address is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the "**Chargor**"); and
- (2) **GROUP SENSE (INTERNATIONAL) LIMITED**, a company incorporated under the laws of Bermuda and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance and listed on The Stock Exchange of Hong Kong Limited (stock code: 601) whose registered office is at Clarendon House, Church Street, Hamilton HM11, Bermuda (the "**Chargee**").

WHEREAS:-

- (A) Pursuant to a sale and purchase agreement dated on or around the date of this Deed (as amended and supplemented from time to time, the "**Sale and Purchase Agreement**") entered into between Croydon Capital Advisors Limited as purchaser (the "**Purchaser**") and the Chargee as vendor, the Chargee agreed to sell and the Purchaser agreed to purchase the entire issued shares in each of Group Sense (S.E.A.) Limited and Group Sense Investment Limited in accordance with the terms and conditions contained therein.
- (B) It is a condition under the Sale and Purchase Agreement that at the time of Completion (as defined in the Sale and Purchase Agreement) that the Chargor shall have executed and delivered this Deed and any other ancillary documentation to and specified in this Deed to the Chargee.

NOW THIS DEED WITNESSES as follows:

DEFINITIONS AND CONSTRUCTION

Definitions

Words and expressions defined in the Sale and Purchase Agreement shall, unless otherwise defined in this Deed, or the context otherwise requires, have the same meanings when used in this Deed.

Defined Terms

"**BVI Act**" means the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands.

"**Charged Assets**" means the assets of the Chargor from time to time subject, or expressed to be subject, to the Charges or any part of those assets.

"**Charge**" or "**Charges**" means all or any of the Security created or expressed to be created by or pursuant to this Deed.

"**Companies Ordinance**" means the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

"**Company**" means Group Sense Limited (權智有限公司), a company incorporated in Hong Kong whose registered address is at [Rooms 13-24, 2/F, Sino Industrial Plaza, 9 Kai Cheung Road, Kowloon Bay, Kowloon, Hong Kong].

"**CPO**" means the Conveyancing and Property Ordinance (Cap. 219 of the Laws of Hong Kong).

"**Deed**" means this Share Charge.

"**Declaration of Trust 1**" means the declaration of trust dated 2 June 1992 and entered into by Tam Wai Ho pursuant to which Tam Wai Ho declares that he holds Share B1 as nominee shareholder upon trust on behalf of the Chargor.

"**Declaration of Trust 2**" means the declaration of trust dated 2 June 1992 and entered into by Tam Wai Tong pursuant to which Tam Wai Tong declares that he holds Share B2 as nominee shareholder upon trust on behalf of the Chargor.

"**Declarations of Trust**" means Declaration of Trust 1 and Declaration of Trust 2.

"**Delegate**" means a delegate or sub-delegate appointed under Clause 10.1 (*Delegation*).

"**Dividends**" means all present and future:

- (f) dividends and distributions of any kind and any other sum received or receivable in respect of any Share;

rights, shares, money or other assets accruing or offered by way of redemption, bonus, option or otherwise in respect of any Share;

allotments, offers and rights accruing or offered in respect of any Share; and

other rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, any Share.

An "**Event of Default**" occurs when the Purchaser fails to comply with any provision under the Sale and Purchase Agreement (including, but not limited to payment of all or any part of the Consideration) within the relevant grace period as permitted under the Sale and Purchase Agreement or within such timeframe as allowed by the Chargee.

"**Nominee**" means:

- (g) Nominee 1;
- (h) Nominee 2; and/or

such other person or entity nominated by the Chargor as its nominee shareholder in respect of any Charged Assets pursuant to any contractual arrangements or written agreements, including, but not limited to a declaration of trust or a nominee declaration.

"**Nominee 1**" means TAM Wai Tong, holder of Hong Kong identity card no. E710420(4).

"**Nominee 2**" means TAM Wai Ho, holder of Hong Kong identity card no. G262672(0).

"Party" means a party to this Deed and includes its successors in title, permitted assigns and transferees and **"Parties"** means all of them.

"Receiver" means any receiver, manager, receiver and manager or other similar officer appointed by the Chargee in respect of any or all of the Charged Assets pursuant to this Deed.

"Register of Charges" means the register of charges of the Chargor maintained by the Chargor in accordance with section 162 of the BVI Act.

"Registrar of Corporate Affairs" means the Registrar of Corporate Affairs of the British Virgin Islands appointed under Section 229 of the BVI Act.

"Register of Directors" means the register of directors of the Company maintained by the Company.

"Register of Members" means the register of members of the Company maintained by the Company.

"Release Date" means the date on which all the Secured Obligations have been paid, repaid, fulfilled or otherwise discharged in full to the reasonable satisfaction of the Chargee.

"Relevant Jurisdiction" means, in relation to the Chargor:

- (i) its jurisdiction of incorporation;
- (j) any jurisdiction where any asset subject to or intended to be subject to this Deed is situated;
- (k) any jurisdiction where it conducts its business; and
- (l) the jurisdiction whose laws govern the perfection of any of this Deed.

"Secured Obligations" means any and all moneys, liabilities and obligations (whether actual or contingent, whether as principal, surety or otherwise, whether now existing or hereafter arising, whether or not for the payment of money, and including, without limitation, any obligation or liability to pay damages) which are or may become payable or owing to the Chargee by the Purchaser under or pursuant to the Sale and Purchase Agreement or by the parties to the Security Documents (other than the Chargee) under or pursuant to the Security Documents and/or all other obligations hereby secured including, all legal and other costs, charges and expenses which the Chargee or its receiver or any such other person acting on their behalf may incur in enforcing or obtaining, or attempting to enforce or obtain, payment of any such moneys, debts and liabilities.

"Security Perfection Requirement" means the making or procuring of the appropriate registrations, filings, endorsements, notarisations, stampings and/or notifications of this Deed or the Security created hereunder in each case for the purposes of perfection of the Security created hereunder

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Share A" means Share A1 and Share A2.

"**Share A1**" means the shares in the Company legally and beneficially owned by the Chargor at the date of this Deed and the details of which are fully described in Schedule 2 (*Particulars of the Company and the Shares*).

"**Share A2**" means the shares in the Company legally and beneficially owned by the Chargor at the date of this Deed and the details of which are fully described in Schedule 2 (*Particulars of the Company and the Shares*).

"**Share B**" means Share B1 and Share B2.

"**Share B1**" means the share in the Company legally owned by Nominee 1 and beneficially owned by the Chargor at the date of this Deed and the details of which are fully described in Schedule 2 (*Particulars of the Company and the Shares*).

"**Share B2**" means the share in the Company legally owned by Nominee 2 and beneficially owned by the Chargor at the date of this Deed and the details of which are fully described in Schedule 2 (*Particulars of the Company and the Shares*).

"**Shares**" means all present and future shares in the Company and beneficially owned by the Chargor, including all the shares issued and outstanding at the date of this Deed and the details of which are fully described in Schedule 2 (*Particulars of the Company and the Shares*).

"**Third Parties Ordinance**" means the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong).

Construction

(e) In this Deed, unless the context otherwise requires:

- (i) references to Clauses and Schedules are references to the clauses of, and schedules to, this Deed;
- (ii) reference in a Clause to a sub-clause is a reference to a sub-clause of that Clause;
- (iii) a reference to an agreement includes any contract, document, instrument or deed, an arrangement and any other kind of commitment;
- (iv) a reference to any agreement is to that agreement as it may be amended or varied or novated by the parties thereto from time to time;
- (v) words importing the plural include the singular and vice versa, and words importing a gender include every gender;
- (vi) references to any person include references to his respective successors in title, permitted assigns and transferees;
- (vii) a provision of law is a reference to that provision as amended or re-enacted; and
- (viii) a time of day is a reference to Hong Kong time.

(f) Clause and Schedule headings are for ease of reference only.

(g) An Event of Default is "**continuing**" if it has not been waived by the Chargee.

Share Charge (over shares in Group Sense Limited (權智有限公司))

- (h) Unless expressly provided otherwise, where this Deed specifies an amount in a given currency (the "**specified currency**") "**or its equivalent**", the "**equivalent**" is a reference to the amount of any other currency which, when converted into the specified currency utilising the spot rate of exchange of a bank to be selected by the Chargee for the purchase of the specified currency with that other currency at or about 11 a.m. on the relevant date, is equal to the relevant amount in the specified currency.

1.4 ***Third party rights***

- (d) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Third Parties Ordinance to enforce or to enjoy the benefit of any term of this Deed.
- (e) Notwithstanding any term of this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.
- (f) Any Receiver or Delegate may, subject to this Clause 1.4 and the Third Parties Ordinance, rely on any Clause of this Deed which expressly confers rights on it.

1.5 ***Sale and Purchase Agreement***

This Deed is a "Security Document" for the purposes of the Sale and Purchase Agreement.

COVENANT TO PAY

2.1 ***Covenant to Pay Secured Obligations***

The Chargor covenants that it shall on demand pay to the Chargee all monies and discharge all obligations and liabilities now or hereunder due, owing or incurred by the Purchaser to the Chargee under or pursuant to the Sale and Purchase Agreement in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such monies, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Chargee or purchased (whether by assignment or otherwise) or acquired in any other way by it; denominated in whatever currency; or incurred on any current or other banking account or in any other manner whatsoever. The making of one demand under this Deed will not preclude the Chargee from making any further demands whilst any amounts remain outstanding under the Sale and Purchase Agreement.

2.2 ***Potential Invalidity***

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Obligations*) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2.2, cause such covenant, obligation or security to be unlawful under any applicable law.

SECURITY

Charge

The Chargor, as legal and beneficial owner of Share A and as beneficial owner of Share B and as continuing security for the due and punctual payment and discharge of all Secured Obligations:

- (a) charges in favour of the Chargee by way of first fixed charge to the Chargee, all its rights, title and interest present and future in and to the Shares and Dividends except to the extent that such rights are subject to a valid and effective assignment by way of fixed security with first ranking priority under Clause 3.1(b); and
- (b) assigns by way of fixed security with first ranking priority, and agrees to assign by way of first fixed security absolutely to the Chargee, all its rights (including those rights it may have against a Nominee), present and future, relating to any of the Shares and/or Dividends, including without limitation:
 - (i) its rights relating to or against any depositary, Nominee or similar person with whom any of the Shares and/or Dividends may be deposited to the extent of those Shares and/or Dividends;
 - (ii) rights it may have against any person to require delivery to it of any of the Shares and/or Dividends;
 - (iii) rights to give instructions relating to any of the Shares and/or Dividends; and
 - (iv) all claims for damages and rights to receive moneys due or to become due for any reason whatsoever in respect of any of the Shares and/or Dividends,including those rights it may have against a Nominee or a Delegate (in each case subject to the provisions of this Deed).

Further security

The Chargor shall, promptly upon the Chargee so requiring by notice to it, execute and deliver (or procure the execution and delivery of the same) to the Chargee such other Security (in such form as the Chargee shall require and, to the extent possible, on terms substantially similar to this Deed) in favour of the Chargee as the Chargee may require from time to time in order to:-

- (a) ensure that it has an effective fixed charge over the Charged Assets; and
- (b) facilitate the enforcement of the Charges, the realisation of the Charged Assets or the exercise of any rights held by the Chargee or any Receiver under or in connection with the Charges in accordance with this Deed.

Retention of documents

The Chargee shall be entitled to continue to hold any document delivered to it pursuant to Clause 4.3 (*Delivery of documents*) until the Charges (or the applicable part thereof) are released in accordance with the terms of this Deed.

RESTRICTIONS AND FURTHER ASSURANCE

Security

The Chargor shall not create or permit to subsist any Security over the Charged Assets unless such Security is created with the prior written consent of the Chargee.

Disposal

The Chargor shall not (nor shall the Chargor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, withdraw, transfer or otherwise dispose of the Charged Assets.

Delivery of documents

In furtherance of the Security created under this Deed:

- (a) the Chargor shall deliver or procure that there shall be delivered to the Chargee such documents relating to the Charged Assets as the Chargee requires for the purpose of perfecting the Charges and the following documents (in the form set out in the relevant Schedules hereto or otherwise in a form and substance reasonably satisfactory to the Chargee) (i) in respect of the Charged Assets in existence on the date of this Deed, upon execution of this Deed and (ii) in respect of any Charged Asset coming into existence or acquired by the Chargor after the date of this Deed, within five (5) Business Days after such coming into existence or acquisition, all of which documents may be held by the Chargee until all of the Charges are released:
 - (i) valid and duly issued share certificates (of each class) in respect of such Charged Assets;
 - (ii) a certified copy of the Register of Members;
- (b) the Chargor shall deliver or procure that there shall be delivered to the Chargee such documents relating to the Charged Assets as the Chargee requires for the purpose of perfecting the Charges and the following documents (in the form set out in the relevant Schedules hereto or otherwise in a form and substance reasonably satisfactory to the Chargee) (i) in respect of the Charged Assets in existence on the date of this Deed, upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion, and (ii) in respect of any Charged Asset coming into existence or acquired by the Chargor after the date of this Deed, the later of (A) five (5) Business Days after such coming into existence or acquisition and (B) the occurrence of an Event of Default, or such other time as the Chargee requests in its absolute discretion, all of which documents may be held by the Chargee until all of the Charges are released:
 - (i) an undated instrument of transfer executed by each of the Chargor and each Nominee in respect of the Shares registered in its name in favour of the Chargee or its nominees (as the Chargee shall direct) in the form set out in Schedule 6 (*Form of Instrument of Transfer*);
 - (ii) undated bought and sold notes executed by the Chargor in respect of the Shares in the form set out in Schedule 7 (*Form of Bought and Sold Note*);
 - (iii) (in respect of any Charged Assets that is held by or registered in the name of any person other than the Chargor) an acknowledgement duly executed by

Share Charge (over shares in Group Sense Limited (權智有限公司))

- such person in substantially the form as set out in Schedule 8 (*Form of Acknowledgement from Nominee*) in respect of such Charged Asset;
- (iv) an irrevocable proxy and power of attorney executed by the Chargor to the Chargee in respect of shareholder's meetings and written resolutions of the Company, in the forms set out in Schedule 9 (*Form of Irrevocable Power of Attorney and Proxy*); and
 - (v) all other documents necessary to enable the Chargee to register such Charged Assets in its name or in the name of its nominees pursuant to this Deed;
- (c) the Chargor shall promptly deliver or procure that there shall be delivered to the Chargee the following documents upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion:
- (i) an undated letter of resignation duly executed by each director of the Company in substantially the form set out in Schedule 3 (*Form of Letter of Resignation*);
 - (ii) a letter of undertaking and authorisation duly executed by each director of the Company in substantially the form set out in Schedule 4 (*Form of Letter of Undertaking and Authorisation*);
 - (iii) undated written resolutions of the board of directors or sole director of the Company (as the case may be) duly executed by all of the directors or the sole director of the Company (as the case may be) in substantially the form set out in Schedule 5 (*Form of Written Resolutions*);
 - (iv) an executed irrevocable deed of undertaking and confirmation from the Company to the Chargee in the form set out in Schedule 10 (*Form of Deed of Undertaking and Confirmation from the Company to the Chargee*);

and shall (1) after the appointment of any new director(s) of the Company after the date of this Deed, procure the delivery to the Chargee of the documents referred to in paragraphs (i) and (ii) in respect of such director and (2) after the appointment or resignation of any director(s), procure the delivery to the Chargee the document referred to in paragraph (iii), in each case, upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion; and

- (d) upon any person holding any Charged Asset on behalf of the Chargor after the date of this Deed, the Chargor shall procure the delivery to the Chargee of an acknowledgement duly executed by such person in substantially the form set out in Schedule 8 (*Form of Acknowledgement from Nominee*) in respect of such Charged Asset upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion.

Further assurance

- (a) The Chargor shall, at its own expense, promptly take such action as the Chargee may require:
 - (i) for the purpose of perfecting or protecting the Chargee's rights under and preserving the Charges intended to be created or evidenced by this Deed or the priority of the Charges; and

- (ii) after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), for the purpose of facilitating the realisation of the Charged Assets or the exercise of any rights vested in the Chargee, any Receiver or any Delegate,

including the execution of any transfer, conveyance, charge, mortgage, assignment or assurance of the Charged Assets (whether to the Chargee or its nominees or otherwise), the making of any registration, the obtaining of any legal advice and the giving of any notice, order or direction.

- (b) Without prejudice to Clause 4.4(a), the Chargor shall (and, if applicable, shall procure that each Nominee will) at the request of the Chargee, within five (5) Business Days upon any transfer of any or all of the Charged Assets to the Chargee or its nominee or any purchaser in accordance with this Deed upon or after an enforcement in accordance with Clause 8 (*Enforcement*) of any of the Charges, procure the registration of such transfer in the books of the Company and the entry of the Chargee, such nominee or such purchaser (as the case may be) in the Register of Members as the holder of such Charged Assets.

Director(s) resolution

After this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), the Chargor shall procure to the extent that it is within its power as a shareholder of the Company that any transfer to or by the Chargee or its nominee or purchaser of any of the Charged Assets is duly approved by the board of directors or sole director of the Company (as the case may be) and registered in the Register of Members (if necessary, by replacing the board of directors or sole director of the Company (as the case may be) with director(s) nominated by the Chargee).

CHARGED SHARES

Voting and other rights

Subject to Clause 5.3 (*Voting and other rights if the Charges become Enforceable*), the Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share as it sees fit provided that the exercise or failure to exercise those rights will not prejudice the value of, or the ability of the Chargee to realise, the security created by this Deed.

Variation of Rights, Further Issuance

- (a) The Chargor shall not, without the prior written consent of the Chargee, by the exercise of any voting rights or otherwise, permit or agree:
 - (i) to any increase in the number of issued shares of or ownership interest in the Company (save as permitted under Clause 5.2(b));
 - (ii) any variation of the rights attaching to or conferred by all or any part of the Charged Assets; or
 - (iii) any amendment or variation of the articles of association of the Company (other than any amendment or variation required by the Chargee under this Deed).

- (b) Paragraph (i) of Clause 5.2(a) does not apply to the allotment or issuance of shares of the Company if all of such shares are fully paid-up and immediately subject to the Charges hereunder upon the allotment or issuance of the same.

Voting and other rights if the Charges become Enforceable

At any time after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*):

- (a) the Chargee or any Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Charged Asset as it sees fit;
- (b) the Chargor shall comply or procure the compliance with any directions of the Chargee or the Receiver in respect of the exercise of those rights (as long as such compliance does not contravene any applicable law or regulation) and shall promptly execute and/or deliver to the Chargee or such Receiver such forms of proxy as it may require in connection with that exercise;
- (c) the Chargee shall be entitled to transfer all or any part of the Charged Assets into the name of such nominee(s) of the Chargee as it shall require; and
- (d) the Chargee shall be entitled to exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Charged Assets, including without limitation the right, in relation to the Company whose shares, ownership interests or other securities are charged pursuant to this Deed, to concur or participate in:

the reconstruction, amalgamation, sale or other disposal of the Company or any of its assets or undertaking (including without limitation the exchange, conversion or reissue of any shares, ownership interests or securities as a consequence thereof);

the release, modification or variation of any rights or liabilities attaching to such shares, ownership interests or securities; and

the exercise, renunciation or assignment of any right to subscribe for any shares, ownership interests or securities,

in each case in such manner and on such terms as the Chargee may think fit, and the proceeds of any such action shall form part of the Charged Assets.

Dividends

- (a) Prior to this Deed becoming enforceable in accordance with Clause 8.1 (*When enforceable*), the Chargor shall be entitled to receive any Dividends in respect of the Shares.
- (b) At any time after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), the Chargor shall hold any and all income in respect of any or all of the Charged Assets received or recovered by him on trust for the Chargee and pay the same immediately to the Chargee as it may direct in accordance with this Deed. The Chargee shall be entitled to apply the same in accordance with Clause 11 (*Application of proceeds*) in discharge of the Secured Obligations.

Notification

The Chargor shall promptly notify the Chargee of the declaration, payment, allotment, offer or issue of any Dividend.

Payment of calls etc.

The Chargor will promptly pay or procure the payment of all calls, instalments or other payments which may at any time become due in respect of any of the Charged Assets. If the Chargor fails to make or procure such payment, the Chargee may, in its absolute discretion, make such payment on behalf of the Chargor and any sum so paid by the Chargee shall be reimbursed by the Chargor within five (5) Business Days of demand in accordance with Clause 17 (*Costs, Charges and Expenses*).

Power of attorney

If any Charged Asset is not held in the name of the Chargor or a Nominee other than as a result of the enforcement of the Charges in accordance with the terms of this Deed, the Chargor shall promptly, at the request of the Chargee, deliver or instruct the relevant Nominee to deliver to the Chargee an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by the person in whose name that Charged Asset is held. That power of attorney shall appoint the Chargee, every Receiver and every Delegate as the attorney of the holder of that Charged Asset and shall be in substantially the same terms as set out in Clause 13 (*Power of attorney*).

GENERAL UNDERTAKINGS

Authorisation

The Chargor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect (and supply certified copies to the Chargee of) any Authorisation required under any applicable law or regulation:

- (a) to enable it to perform its obligations under this Deed; and/or
- (b) to ensure the legality, validity, enforceability or admissibility in evidence in the Relevant Jurisdictions.

Discharge other debts

The Chargor shall punctually pay and discharge all debts and obligations in respect of the Charged Assets which by law have priority over the Charges.

Depreciation of Charged Assets

The Chargor shall not do or cause or permit to be done anything which may depreciate, jeopardise or otherwise prejudice the value of, or the ability of the Chargee to realise, any of the Charged Assets.

No deposit of Shares with any clearing house

The Chargor shall not (and shall ensure that no other person will) deposit any Shares with any depositary, custodian, clearing house or system.

Share Charge (over shares in Group Sense Limited (權智有限公司))

Beneficial ownership

The Chargor shall, except as permitted by Clause 4.2 (*Disposal*), at all times remain the sole, absolute and beneficial owner of the Charged Assets and shall not grant or agree to grant in favour of any other person any interest in or any option or other rights in respect of any of the Charged Assets other than the right to hold Share B1 by Nominee 1 as nominee shareholder pursuant to the Declaration of Trust 1 and the right to hold Share B2 by Nominee 2 as nominee shareholder pursuant to the Declaration of Trust 2.

Information

The Chargor shall give to the Chargee upon receipt copies of all notices, requests and other documents sent or received with respect to the Charged Assets and give to the Chargee such other information regarding the Charged Assets as the Chargee shall reasonably require.

6.7 *No alteration in composition of the board of director(s)*

The Chargor will procure that there shall be no change in the registered office, no change to the place where the original Register of Members is kept, and no appointment of any further director(s) or officer(s) of the Company, in each case, without the prior consent in writing of the Chargee or unless expressly permitted by this Deed.

6.8 *No participation in voting concerning a members' liquidation or compromise*

The Chargor shall not without the prior written consent of the Chargee participate in any vote concerning a members' voluntary liquidation or compromise.

6.9 *Articles of association*

- (a) Subject to sub-paragraph (b) below, the Chargor shall ensure that it shall not, without the prior written consent of the Chargee, use its voting rights to permit the Company to amend its articles of association in a way which could be expected to adversely affect the interests of the Chargee.
- (b) The Chargor shall, upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion, execute and deliver to the Chargee evidence that the articles of association of the Company have been amended to remove the directors' power to veto, and any other restrictions on, transfers of the Charged Assets, pursuant to this Deed, such evidence to be by way of the original or a copy (certified by a director or secretary of the Company) of a special resolution of the members of the Company in or substantially in the form set out in Schedule 11 (*Written Resolutions of the Shareholder of the Company*) or such other form acceptable to the Chargee.

6.10 *Registration*

- (a) The Chargor shall, at its own cost, as soon as reasonably practicable after execution of this Deed:
 - (v) create and maintain a Register of Charges to the extent this has not already been done in accordance with Section 162 of the BVI Act;
 - (vi) enter particulars as required by the BVI Act of the security interests created pursuant to this Deed in the Register of Charges and immediately after entry of such particulars has been made, and in any event within five (5) Business Days

of the date of this Deed, provide the Chargee with a certified true copy of the updated Register of Charges;

- (vii) effect registration, or assist the Chargee in effecting registration, of this Deed with the Registrar of Corporate Affairs pursuant to Section 163 of the BVI Act by making the required filing, or assisting the Chargee in making the required filing, in the approved form with the Registrar of Corporate Affairs and (if applicable) provide confirmation in writing to the Chargee that such filing has been made; and
 - (viii) if the registration referred to in paragraph (iii) above is made by the Chargor and not the Chargee, immediately on receipt, but in any event within twelve (12) Business Days from the date of this Deed, deliver or procure to be delivered to the Chargee the certificate of registration of charge issued by the Registrar of Corporate Affairs evidencing that the requirements on Part VIII of the BVI Act as to registration have been complied with and the filed stamped copy of the application containing the relevant particulars of charge.
- (b) The Chargor shall promptly notify the Chargee in writing if it applies to be registered as a non-Hong Kong company under Part 16 of the Companies Ordinance at any time after the date of this Deed. Without prejudice to the foregoing, upon being registered as a non-Hong Kong company under Part 16 of the Companies Ordinance, the Chargor shall promptly:
- (i) notify the Chargee and provide it with the details of such registration; and
 - (ii) comply with the registration requirements under the relevant provisions of the Companies Ordinance in respect of this Deed and the Security created hereby.

6.11 ***Other undertakings***

- (a) The Chargor will procure that there shall be no increase or reduction in the authorised or issued shares of the Company without the prior written consent of the Chargee (such consent not to be unreasonably withheld or delayed).
- (b) The Chargor shall not, without the prior written consent of the Chargee, participate in any vote concerning a members' liquidation or compromise.

REPRESENTATIONS AND WARRANTIES

Representations

The Chargor represents and warrants to the Chargee that:

- (a) it is a BVI business company duly incorporated, validly existing and in good standing, and registered in the British Virgin Islands with limited liability under the BVI Act and it is not registered as a non-Hong Kong company under Part 16 of the Companies Ordinance nor has it made any application to be so registered;
- (b) it has the power to own its assets and carry on its business as it is being conducted;
- (c) subject further to the fulfilment of any Security Perfection Requirements, this Deed constitutes or, when so executed and delivered, will constitute legal, valid and binding obligations of the Chargor enforceable in accordance with its terms;

Share Charge (over shares in Group Sense Limited (權智有限公司))

- (d) it has all legal power and authority to enter into this Deed and perform its obligations under this Deed and all actions required to authorise the execution and delivery of this Deed and the performance of its obligations under this Deed have been duly taken;
- (e) subject further to the fulfilment of the Security Perfection Requirements, all Authorisation required:
 - (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed;
 - (ii) to make this Deed admissible in evidence in the Relevant Jurisdictions; and
 - (iii) for it to carry on its business which is material,have been obtained or effected and are in full force;
- (f) the choice of the laws of Hong Kong as the governing law of this Deed will be recognised and enforced in the Relevant Jurisdictions and its agreement:
 - (i) that this Deed is governed by the laws of Hong Kong; and
 - (ii) not to claim any immunity to which it or its assets may be entitled,are legal, valid and binding under the laws of Hong Kong;
- (g) other than as specified in Clause 6.10 (*Registration*), under the laws of the Relevant Jurisdictions, it is not necessary that this Deed be filed, registered, recorded or enrolled with any court or other authority in any Relevant Jurisdictions or that any stamp, registration, or similar tax be paid on or in relation to this Deed or transactions contemplated by this Deed;
- (h) it is the sole beneficial owner of the Charged Assets;
- (i) Nominee 1 is the legal owner of Share B1;
- (j) Nominee 2 is the legal owner of Share B2;
- (k) the Declarations of Trust remain in full force and effect and has not been amended, annulled or revoked;
- (l) it has not created (or permitted to subsist) any Security in any of its rights, title, interest or benefits in the Charged Assets (save as otherwise permitted or contemplated pursuant to this Deed);
- (m) except as otherwise permitted by Clause 4.2 (*Disposal*) or pursuant to this Deed, neither it nor any of any Nominee has sold or otherwise disposed of the Charged Assets or agreed to do so;
- (n) the Shares beneficially owned by the Chargor and subject to the Charges hereunder constitute the entire issued shares of and ownership interest in the Company, and there is no outstanding agreement or commitment on the part of the Company or the Chargor to issue or allot (or procure the issuance or allotment of) any Shares to any person other than the Chargor;

- (o) the Shares have been validly issued by the Company and are fully paid up and there are no monies or liabilities payable or outstanding in relation to the Shares and the Shares are free from any Security (except created under or pursuant to this Deed);
- (p) as at the date of this Deed, the particulars of the shares of the Company held by, to the order of or on behalf of the Chargor as set out in Schedule 2 (*Particulars of the Company and the Shares*) are accurate in all respects;
- (q) it has not received any notice of an adverse claim by any person in respect of the ownership of the Charged Assets or any interest in the Charged Assets;
- (r) the Shares are not issued with any preferred, deferred or other special rights or restrictions whether in regard to dividends, voting, return of any amount paid on account of shares or otherwise which are not expressly set out in the articles of association of the Company; (s) the Shares are freely transferable on the books of the Company and no consents or approvals are required in order to register a transfer of the Shares;
- (t) no Event of Default is continuing;
- (u) the entry into and performance of this Deed and the transactions contemplated by this Deed do not and will not conflict with or result in a breach of (i) any law, judgment or regulation or any official or judicial order, (ii) the constitutional documents of the Chargor or (iii) any agreement or document to which the Chargor is a party or which is binding upon it or any of its assets or revenues, nor cause any limitation placed on it or the powers of its directors to be exceeded or result in the creation or imposition of any Security on any of its assets or revenues pursuant to the provisions of any such agreement or document;
- (v) no litigation, arbitration or administrative proceeding is currently taking place or pending or, to the knowledge of the Chargor, threatened against the Chargor or the Company or any of their respective assets which would adversely affect the Chargor's ability to perform its obligations under this Deed;
- (w) no meeting has been convened for winding up the Chargor or the Company, nor any such step is intended by the Chargor or the Company and, so far as it is aware, no petition, application or the like is outstanding for winding up the Chargor or the Company;
- (x) subject further to the fulfilment of any Security Perfection Requirements, the obligations of the Chargor hereunder rank at least *pari passu* with all its other present and future unsecured and unsubordinated obligations save for any obligations mandatorily preferred by law and not by contract; and
- (y) the Chargor is generally subject to civil and commercial law and to legal proceedings and neither the Chargor nor any of its assets or revenues is entitled to any immunity or privilege (sovereign or otherwise) from any set off, judgment, execution, attachment or other legal process.

Repetition

The Chargor also represents and warrants to and undertakes with the Chargee that the foregoing representations and warranties will be deemed to be made each day during the period commencing on the date hereof and ending on the date upon which all Secured Obligations have been satisfied in full with reference to the facts and circumstances on each such day.

Share Charge (over shares in Group Sense Limited (權智有限公司))

ENFORCEMENT

When enforceable

The Charges shall be immediately enforceable following the occurrence of an Event of Default which is continuing and the Chargee may, without notice to the Chargor:

- (a) enforce all or any part of any Charges (at the times, in the manner and on the terms it thinks fit) and take possession and hold or dispose of all or any part of the Charged Assets in accordance with such power granted to it pursuant to this Deed; and
- (b) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions given to a Receiver under this Deed and/or otherwise conferred by law.

Enforcement when no amounts outstanding

Without prejudice to Clause 15.6 (*Appropriations*), if the Chargee enforces the Security constituted by this Deed or receives or recovers any amount pursuant to any Charges or in connection with any Charged Assets at a time when no amounts are due under the Sale and Purchase Agreement but at a time when amounts may or will become so due, the Chargee (or any Receiver or any Delegate) may elect to pay the proceeds of any receipt or recovery made by it pursuant to such enforcement or the amount so received or recovered into an escrow account (pending application of the same from time to time in accordance with the provisions of the Sale and Purchase Agreement).

No requirement of notice period

Neither the Chargee nor any Receiver is required to give any prior notice of non-payment or default to the Chargor before enforcing any or all of the Charges in accordance with this Deed, and there is no minimum period for which Secured Obligations must remain due and unpaid before the Charges can be enforced.

No liability as mortgagee in possession

Neither the Chargee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Assets or be liable for any loss upon realisation or for any neglect, default or omission in connection with all or any part of the Charged Assets to which a mortgagee in possession might otherwise be liable (save for the gross negligence, wilful misconduct or fraud of the Chargee or the Receiver).

Wide construction of enforcement powers

The enforcement powers of the Chargee and any Receiver under this Deed shall be construed in the widest possible sense and all Parties intend that the Chargee and the Receiver shall have as wide and flexible a range of enforcement powers as may be conferred (or, if not expressly conferred, as is not restricted) by any applicable law and/or the provisions of this Deed.

8.6 *Additional power*

Without prejudice to the generality of the other provisions in this Deed, the Chargee may at any time after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*) put into effect the documents delivered under Clause 4.3 (*Delivery of documents*) and appoint

its own nominees as directors and officers of the Company for the purposes of perfecting, protecting or enforcing the Charges.

8.7 *Sale of Charged Assets*

Each of the Chargee and any Receiver shall be entitled to exercise such power of sale in such manner and at such time or times and for such consideration (whether payable immediately or by instalments) as it shall in its absolute discretion think fit (whether by private sale or otherwise) and so that the Charged Asset (or any relevant part thereof) may be sold (i) subject to any conditions which the Chargee or that Receiver may think fit to impose, (ii) to any person (including, without limitation, any person connected with the Chargor or the Chargee) and (iii) at any price which the Chargee or that Receiver in its absolute discretion, considers to be the best obtainable in the circumstances taking into account the nature of the Company as a private company.

8.8 *Exercise of rights without limitations*

Each of the Chargee and any Receiver shall be entitled to exercise its rights, powers, discretions and remedies under this Deed despite any rule of law or equity to the contrary and in particular without the limitation contained in paragraph 11 of the fourth schedule to the CPO or any statutory provision which are analogous to that section under the law of any other relevant jurisdiction.

APPOINTMENT AND RIGHTS OF RECEIVERS

Appointment of Receivers

At any time after the Security hereby created has become enforceable in accordance with Clause 8 (*Enforcement*), the Chargee may, by deed, or otherwise in writing signed by any officer or manager of the Chargee or any person authorised for this purpose by the Chargee, appoint one or more persons to be a Receiver of the Charged Assets and may from time to time fix his or their remunerations. The Chargee may similarly remove any Receiver so appointed and appoint any person as additional or replacement Receiver(s). If the Chargee appoints more than one person as Receiver, the Chargee may give those persons power to act either jointly or severally or jointly and severally.

Powers and rights of Receivers

- (a) Any Receiver appointed pursuant to this Clause 9 (*Appointment and rights of Receivers*) shall have, in relation to the Charged Assets in respect of which he is appointed:
 - (i) the rights, powers, discretions, privileges and immunities conferred on mortgagors, mortgagees in possession and/or receivers by any applicable law;
 - (ii) the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor himself could do or omit to do (including without limitation the right, in relation to the Company whose shares, ownership interests or other securities are charged pursuant to this Deed, to concur or participate in any of the matters specified in Clause 5.3(d), in each case in such manner and on such terms as such Receiver may think fit and the proceeds of any such action shall form part of the Charged Assets);
 - (iii) the powers and rights conferred on the Chargee under this Deed; and

Share Charge (over shares in Group Sense Limited (權智有限公司))

- (iv) the powers and rights set out in Schedule 1 (*Rights of Receivers*),
- (b) Each Receiver shall in the exercise of such Receiver's rights, powers, discretions, privileges and immunities conform to the directions and regulations from time to time given or made by the Chargee.

Agent of Chargor

Any Receiver shall be the agent of the Chargor for all purposes. The Chargor shall be solely responsible for each Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by that Receiver.

Remuneration

The Chargee may determine the remuneration of any Receiver and any maximum rate specified in any applicable legislation shall (to the extent capable of being excluded) not apply. The Chargee may direct payment of that remuneration out of moneys such Receiver receives in its capacity as such. The Chargor shall be solely liable for the remuneration and all other costs, losses, liabilities and expenses of any Receiver.

No liability for exercise of powers

Neither the Chargee nor any Receiver shall be liable for any losses, involuntary or otherwise, which arise in the exercise by the Chargee or such Receiver of its powers under this Deed unless caused by its breach of the terms of this Deed, fraud, wilful default or gross negligence.

CHARGEES RIGHTS

Delegation

Each of the Chargee and any Receiver may delegate in any manner to any person any rights exercisable by it under this Deed. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Chargee or, as the case may be, such Receiver reasonably thinks fit.

Terms of disposition

In making any sale or other disposal of all or any part of the Charged Assets or any acquisition in the exercise of their respective powers (including without limitation a disposal by any Receiver or Delegate or the Chargee to any company formed pursuant to paragraph (c) (*Hive down*) of Schedule 1 (*Rights of Receivers*)), any Receiver or Delegate or the Chargee may accept or dispose of as, and by way of consideration for, such sale or other disposal or acquisition, cash, shares, loan capital or other obligations, including without limitation consideration fluctuating according to or dependent upon profit or turnover and consideration the amount whereof is to be determined by a third party. Any such consideration may, if reasonably thought appropriate by such Receiver or Delegate or the Chargee, be nil or may be payable or receivable in a lump sum or by instalments. Any contract for any such sale, disposal or acquisition by any Receiver or Delegate or the Chargee may contain conditions excluding or restricting the personal liability of such Receiver or Delegate or the Chargee.

APPLICATION OF PROCEEDS

All monies or other property hereby charged and/or assigned to or otherwise received by the Chargee or the Receiver in respect of the Charged Assets may be applied by the Chargee in or towards satisfaction of the Secured Obligations in such order of priority as the Chargee in its absolute discretion may determine (subject to the prior discharge of all liabilities having priority thereto by law) and subject to any such determination in the following order of priority:

- (a) firstly, in payment or satisfaction of all costs, charges, expenses and liabilities incurred and payments made by or on behalf of the Chargee and the Receiver in connection with the exercise of any powers hereunder and in preserving or attempting to preserve this Security or the Charged Assets and of all outgoings paid by the Chargee or the Receiver;
- (b) secondly, in payment to the Receiver of all reasonable remuneration as may be agreed between it and the Chargee;
- (c) thirdly, in or towards reduction of the Secured Obligations in such manner as the Chargee shall determine in its absolute discretion; and
- (d) lastly, the surplus (if any) shall be promptly paid to the Chargor.

LIABILITY OF CHARGE, RECEIVER AND DELEGATES

- 12.1 Neither the Chargee, any Receiver nor any Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason) be liable to the Chargor or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Charged Assets or from any act, default, omission or misconduct (other than gross negligence, wilful default or fraud) of the Chargee, any Receiver, any Delegate or their respective officers, employees or agents in relation to any or all of the Charged Assets or in connection with this Deed and/or the Sale and Purchase Agreement.
- 12.2 Nothing in this Deed shall be construed as placing on the Chargee any liability whatsoever in respect of any calls, instalments or other payments relating to any of the Charged Assets or any rights, shares or other securities accruing, offered or arising in respect of any of the Charged Assets or such calls, instalments or payments, and the Chargor shall indemnify the Chargee within five (5) Business Days of demand in respect of all calls, instalments or other payments relating to any of the Charged Assets and/or to any rights, shares and other securities accruing, offered or arising in respect of the Charged Assets or such calls, instalments or payments in respect of any of such Charged Assets.

POWER OF ATTORNEY

Appointment

The Chargor by way of security irrevocably (within the meaning of section 4 of the Powers of Attorney Ordinance (Cap. 31 of the Laws of Hong Kong)) appoints the Chargee, every Receiver and every Delegate severally as its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time after the Security hereby created has become enforceable in accordance with Clause 8 (*Enforcement*) and in such manner as the attorney thinks fit:

- (a) to do anything which the Chargor is obliged to do (but has not done) under this Deed (including to execute charges over, transfers, conveyances, assignments and assurances of, and other deeds, instruments, notices, orders and directions relating to, the Charged Assets or any part thereof); and
- (b) to exercise any of the rights conferred on the Chargee, any Receiver or any Delegate in relation to the Charged Assets (or any part thereof) or under this Deed and/or applicable laws and regulations (including without limitation, any right of a legal or beneficial owner of the Charged Assets).

Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 13.1 (*Appointment*), save for any such exercise by gross negligence, wilful misconduct or fraud.

13.3 *Termination*

This power of attorney created pursuant to this Clause 13 shall be terminated when the Secured Obligations have been fully repaid and discharged.

PROTECTION OF THIRD PARTIES

No duty to enquire

No person dealing with the Chargee, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether the power or rights conferred by or pursuant to this Deed are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such powers or rights have been obtained or complied with;
- (c) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers or rights; or
- (d) as to the application of any money borrowed or raised or of any proceeds of any disposition or realisation.

Protection to purchasers

- (a) The receipt of the Chargee or any Receiver or Delegate shall be conclusive discharge to a purchaser of the Charged Assets (or any part thereof) from the Chargee or such Receiver or Delegate.
- (b) No purchaser or other person dealing with the Chargee, any Receiver or any Delegate shall be bound to inquire whether the right of the Chargee, such Receiver or such Delegate to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Chargee, such Receiver or such Delegate in such dealings.

SAVING PROVISIONS

Continuing security

Subject to Clause 16 (*Discharge of Security*), the Charges are continuing security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

Reinstatement

If any payment by or recovery from the Chargor or any discharge or release given by the Chargee (whether in respect of the obligations of the Chargor or any security for those obligations) under or in connection with this Deed and/or the Sale and Purchase Agreement is avoided or reduced for any reason including, without limitation, as a result of insolvency, breach of fiduciary or statutory duties or any similar event:

- (a) the liabilities of the Chargor hereunder and the Charges shall continue as if such payment, recovery, discharge or release had not occurred; and
- (b) the Chargee shall be entitled to recover the value or amount of that payment or recovery from the Chargor and any and all Charges hereunder, as if such payment, recovery, discharge or release had not occurred.

Cumulative rights

The security created by or pursuant to this Deed, and the rights, powers and remedies of the Chargee provided by or pursuant to this Deed, shall be cumulative, in addition to and independent of every other security which the Chargee may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Chargee over the whole or any part of the Charged Assets shall merge into the Security constituted by this Deed.

Waiver of defences

Neither the obligations of the Chargor under this Deed nor the Charges will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release, affect or prejudice any of the Chargor's obligations under this Deed or any of the Charges (without limitation and whether or not known to it or the Chargee) including:

- (a) any time, waiver or consent granted to, or composition with the Chargor, the Purchaser or any other person;
- (b) the release of the Chargor, the Purchaser or any other person under the terms of any composition or arrangement with any creditor of the Chargor, the Purchaser or other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or security over assets of, the Chargor the Purchaser or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise any security;
- (d) any incapacity or lack of power, authority or legal personality of the Chargor, the Purchaser or any person or dissolution or change in the members or status or constitution of the Chargor or any other person;

Share Charge (over shares in Group Sense Limited (權智有限公司))

- (e) any amendment (however fundamental) or replacement of the Sale and Purchase Agreement, any Security Document or any other document or security;
- (f) any variation of the terms of the trust upon which the Chargee holds the Security constituted by this Deed;
- (g) any unenforceability, illegality or invalidity of any obligation of any person under the Sale and Purchase Agreement, any Security Document or any other document or security;
- (h) any insolvency or similar proceedings;
- (i) this Deed, the Sale and Purchase Agreement or any Security Document not being validly executed by or binding against any party; or
- (j) any other Security, guarantee or indemnity now or thereafter, held by the Chargee or any other person in respect of the Secured Obligations or any other liabilities.

Immediate recourse

The Chargor waives any right it may have of first requiring the Chargee (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 Chargor under this Deed. This waiver applies irrespective of any law or any provision of the Sale and Purchase Agreement to the contrary.

Appropriations

Until all the Secured Obligations have been unconditionally and irrevocably paid in full and no further Secured Obligations may become outstanding, the Chargee (or any trustee or agent on its behalf) may, whether any of the Secured Obligations is overdue:

- (a) refrain from applying or enforcing any other moneys, security or rights held, received or recovered by it (or any trustee or agent on its behalf), or apply and enforce the same in such manner and order as it sees fit (save as otherwise expressly provided in this Deed) and the Chargor shall not be entitled to the benefit of the same; and/or
- (b) hold in a suspense account any moneys received or recovered from the Chargor or on account of any Charged Asset or the Chargor's liability under this Deed (pending application of the same from time to time in accordance with the provisions of this Deed).

Deferral of Chargor's rights

Until the Secured Obligations have been unconditionally and irrevocably paid or discharged in full, the Chargor shall not:

- (a) exercise any rights which it may have by reason of the performance by it of its obligations under this Deed:
 - (i) to be indemnified by any person;
 - (ii) to claim any contribution from the Purchaser or any other guarantor of the Purchaser's obligations under the Sale and Purchase Agreement; and/or

- (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Chargee under the Sale and Purchase Agreement or of any guarantee or other security taken pursuant to, or in connection with, the Sale and Purchase Agreement by the Chargee; or
- (b) accept or permit to subsist any Security from the Purchaser or any other person in respect of any rights the Chargor may have arising out of this Deed. Notwithstanding the foregoing, if any such Security shall be accepted or subsisting, the Chargor acknowledges that its rights under such Security shall be held on trust for the Chargee.

Additional Security

The Charges are in addition to and are not in any way prejudiced by any other guarantees or Security now or subsequently held by the Chargee in connection with the Secured Obligations.

Subsequent Security

If the Chargee (or any trustee or agent on its behalf) at any time receives or is deemed to have received notice of any subsequent security affecting all or any part of the Charged Assets or any assignment, transfer or disposition of all or any part of the Charged Assets which is prohibited by the terms of this Deed, all payments thereafter by or on behalf of the Chargor to the Chargee (or any trustee or agent on its behalf) shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Chargee (or any trustee or agent on its behalf) received such notice.

DISCHARGE OF SECURITY

Final redemption

- (a) Subject to Clauses 15.2 (*Reinstatement*) and 16.2 (*Retention of security*), on or after the Release Date, the Chargee shall promptly at the request (but in any event, within five (5) Business Days of such request) and cost of the Chargor release, reassign or discharge (as appropriate) the Charged Assets from the Charges (except to the extent already disposed of or enforced against in accordance with this Deed) and, as soon as reasonably practicable, perform such other actions as may be reasonably requested by the Chargor to effect such release, reassignment and/or discharge, in each case without recourse to, or any representation or warranty by, the Chargee or its nominee and the Chargee shall return to the Chargor all documents delivered to the Chargee pursuant to Clause 4.3 (*Delivery of documents*).
- (b) For those Charged Assets which have been transferred and registered under the name of the Chargee or its nominee, the Chargee shall only be obliged to return the share certificate(s) then representing the Charged Assets not yet disposed of or realised by the Chargee pursuant to its powers under this Deed (but not the original share certificates originally delivered to the Chargee by the Chargor) with the instruments of transfer duly executed in favour of the Chargor or such other person as the Chargor may direct. The Chargee shall also, at the Chargor's cost, execute and deliver to the Chargor such other documents and provide such other assistance as the Chargor may reasonably request for the purpose of transferring the title to and interest in such Charged Assets back to the Chargor.

Retention of security

If the Chargee considers that any amount paid or credited to or recovered by it under this Deed and/or the Sale and Purchase Agreement is capable of being avoided or otherwise set aside on the bankruptcy of the Chargor, the Purchaser or any other person, or otherwise, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been unconditionally and irrevocably paid.

Consolidation

Any restrictions on the consolidation of Security shall be excluded to the fullest extent permitted by law and the Chargee shall, so far as it is lawful and subject to other provisions of this Deed, be entitled to consolidate all or any of the Charges with any other Security whether in existence on the date of this Deed or in the future.

COSTS, CHARGES AND EXPENSES

The Chargor shall within three (3) Business Days of demand pay to or reimburse the Chargee and the Receiver for:

- (c) all costs, charges and expenses (including legal and other fees on a full indemnity basis) incurred by the Chargee or the Receiver in exercising any of its or their rights or powers hereunder or in suing for or seeking to recover any sums due hereunder or otherwise preserving or enforcing its or their rights hereunder or in connection with the preservation or attempted preservation of the Charged Assets or in defending any claims brought against it or them in respect of this Deed or the Chargor's interest in the Charged Assets or in releasing or reassigning this Deed upon payment of all monies hereby secured; and
- (d) for all remuneration payable to the Receiver,

and until payment of the same in full, all such costs, charges, expenses and remuneration shall be secured by this Deed.

PAYMENTS

All payments by the Chargor or any other person under this Deed shall be made to such account, with such financial institution and in such other manner as the Chargee may reasonably direct, and shall be made in full in immediately available funds without any set-off or counterclaim or any restriction or condition whatsoever and free and clear of any Taxes, deductions or withholdings save as required by law.

TAX GROSS UP

If at any time the Chargor or any other person is required to make any deduction or withholding in respect of Taxes or otherwise from any payment due under this Deed for the account of the Chargee, the sum due from the Chargor in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Chargee receives on the due date for such payment (and retain, free from and clear of any Taxes or otherwise) a net sum equal to the sum which they would have received had no such deduction or withholding been required to be made and the Chargor shall indemnify the Chargee against any losses or costs incurred by it by reason of any failure of the Chargor to make any such deduction or withholding or by reason of any increased payment not being made on the due date for such payment. The Chargor shall

promptly deliver to the Chargee any receipts, certificates or other proof evidencing the amounts (if any) paid or payable in respect of any deduction or withholding as aforesaid.

SEPARATE AND INDEPENDENT OBLIGATIONS

The Security constituted by this Deed is separate from and independent of the Security created by any other person in connection with the Sale and Purchase Agreement.

CONDUCT OF BUSINESS BY THE CHARGEES

No provision of this Deed will:

- (a) interfere with the right of the Chargee to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige the Chargee to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige the Chargee to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Taxes.

OTHER INDEMNITIES

General indemnity

The Chargor shall indemnify and keep indemnified the Chargee and the Receiver from and against all losses, liabilities, damages, costs (including, but not limited to, legal costs), charges and expenses which the Chargee shall incur in connection with the exercise of any powers conferred by this Deed or the perfection, preservation or enforcement of the Security constituted by this Deed and against all actions, proceedings, claims, demands, costs (including, but not limited to, legal costs), charges and expenses which may be incurred, sustained or arise in respect of the non-performance or non-observance of any of the undertakings and agreements on the part of the Chargor herein contained or in respect of any matter or thing done or omitted relating in any way whatsoever to the Charged Assets (except for such matter or thing done or omitted due to the gross negligence, wilful misconduct or fraud of the Chargee, any Receiver or any Delegate).

Currency indemnity

If an amount due to the Chargee or the Receiver from the Chargor in one currency (the "**first currency**") is received by the Chargee or the Receiver in another currency (the "**second currency**"), the Chargor's obligations to the Chargee or the Receiver in respect of such amount shall only be discharged to the extent that the Chargee or the Receiver may purchase the first currency with the second currency in accordance with normal banking practice. If the amount of the first currency which may be so purchased (after deducting any costs of exchange and any other related costs) is less than the amount so due, the Chargor shall indemnify the Chargee or the Receiver against the shortfall. This indemnity shall be an obligation of the Chargor independent of and in addition to its other obligations under this Deed.

Indemnities separate

Each indemnity in this Deed shall:

Share Charge (over shares in Group Sense Limited (權智有限公司))

- (a) constitute a separate and independent obligation from the other obligations in the Sale and Purchase Agreement or any Security Document;
- (b) give rise to a separate and independent cause of action;
- (c) apply irrespective of any indulgence granted by the Chargee;
- (d) continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of the Secured Obligations or any other judgment or order; and
- (e) apply whether or not any claim under it relates to any matter disclosed by the Chargor or otherwise known to the Chargee.

SET-OFF

- (a) Without prejudice to any right of set-off, combination of accounts, lien or other rights which the Chargee is at any time entitled whether by operation of law or contract or otherwise, the Chargee may (but shall not be obliged to) set off against any obligation of the Chargor which is due and payable by it hereunder without prior notice any moneys held by the Chargee for the account of the Chargor at any office of the Chargee anywhere and in any currency. The Chargee may effect such currency exchanges as are appropriate to implement such set-off.
- (b) If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

ASSIGNMENTS AND TRANSFERS

No Assignments or Transfers by the Chargor

The Chargor shall not assign or transfer any or all of its rights and/or obligations under this Deed except with the prior written consent of the Chargee.

Assignment and Transfer by Chargee to Successor

The Chargee may assign and/or transfer all or any of its rights and/or obligations under this Deed to any person, and make disclosures at its own discretion or as it deems necessary.

REMEDIES, WAIVERS, CERTIFICATE, SEVERABILITY AND COUNTERPARTS

25.1 *Waivers*

Time shall be of the essence under this Deed but no failure or delay on the part of the Chargee to exercise any power, right or remedy under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise by the Chargee of any power, right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy.

25.2 *Remedies*

The remedies provided in this Deed are cumulative and are not exclusive of any remedies provided by law.

25.3 Severability

If any provision of this Deed is prohibited or unenforceable in any jurisdiction, such prohibition or unenforceability shall not invalidate the remaining provisions hereof or affect the validity or enforceability of such provision in any other jurisdiction.

25.4 Counterparts

This Deed may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any Party may execute this Deed by signing any such counterpart.

25.5 Execution as a deed

It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

NOTICES

26.1 Notices

Any notice or communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by (a) fax (if a fax number has been identified with such Party's name below or (b) letter.

26.2 Delivery

(d) Any communication or document made or delivered by one person to another under or in connection with this Deed will be effective:

- (i) if by way of fax, only when received in legible form; or
- (ii) if by way of letter, only when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 26.3 (*Addresses*), if addressed to that department or officer.

(e) Any communication or document to be made or delivered to the Chargee will be effective only when actually received by the Chargee and then only if it is expressly marked for the attention of the department or officer identified in Clause 26.3 (*Addresses*) (or any substitute department or officer as the Chargee shall specify for this purpose).

(f) Any communication or document which becomes effective, in accordance with paragraphs (a) to (b) above, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

26.3 *Addresses*

Notices or communications shall be sent to the following addresses:-

To the Chargor:

Address: Suite 8115, 8/F, MassMutual Tower, 33 Lockhart Road, Wanchai, Hong Kong
Fax: 2892 0361
Attention: Choi Chung Yin

To the Chargee:

Address: Suite 1105, 11th Floor, Tower 6, The Gateway, 9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Fax: 2802 2697
Attention: Shum Sai Chit

26.3 *Languages*

Each notice or document referred to in this Deed or to be delivered under this Deed shall be in the English language.

GOVERNING LAW AND JURISDICTION

27.1 *Governing Law*

This Deed is governed by and shall be construed in accordance with the laws of Hong Kong.

27.2 *Submission to Jurisdiction*

For the benefit of the Chargee, the Chargor irrevocably agrees that the courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that, accordingly, any legal action or proceedings arising out of or in connection with this Deed ("**Proceedings**") may be brought in those courts and the Chargor irrevocably submits to the exclusive jurisdiction of those courts.

27.3 *Other jurisdictions*

Nothing in this Clause 27 (*Governing Law and Jurisdiction*) shall limit the right of the Chargee to take proceedings against the Chargor in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the Chargee from taking Proceedings in any other jurisdiction, whether concurrently or not.

27.4 *Waiver of inconvenient forum*

The Chargor irrevocably waives any objection which it may at any time have to the laying of the venue of any Proceedings in any court referred to in this Clause 27 (*Governing Law and Jurisdiction*) and any claim that any such Proceedings have been brought in an inconvenient forum.

27.5 *Service of Process*

Share Charge (over shares in Group Sense Limited (權智有限公司))

Without prejudice to any other mode of service allowed under any relevant law, the Chargor:

- (a) irrevocably appoints Choi Chung Yin at its registered address (which, as at the date of this Deed, is Suite 8115, 8/F, Massmutual Tower, 33 Lockhart Road, Wanchai, Hong Kong) as its agent for service of process in relation to any proceedings before the Hong Kong courts in connection with this Deed; and
- (b) agrees that failure by a process agent to notify the Chargor of the process will not invalidate the proceedings concerned.

27.6 Waiver of Immunities

To the extent that the Chargor has or hereafter may acquire any immunity (sovereign or otherwise) from any legal action, suit or proceeding, from jurisdiction of any court or from set-off or any legal process (whether service or notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) with respect to itself or any of its property, the Chargor hereby irrevocably waives and agrees not to plead or claim such immunity in respect of its obligations under this Deed.

IN WITNESS whereof this Deed has been executed by the parties hereto and is intended to be and is hereby delivered by the Chargor as a deed on the day and year first above written

RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 9 (*Appointment and Rights of Receivers*) shall, after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), have the right, either in his own name or in the name of the Chargor (notwithstanding any bankruptcy of such Chargor) or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

(p) **Take possession**

to take possession of the Charged Assets, and to require payment to it of all Dividends including without limitation, to complete any instruments of transfer and to procure the transfer of the Charged Assets into the name of the Chargee or its nominee and, if necessary, take possession of and collect the share certificates and/or other documents of title relating to the Charged Assets, in each case, at the cost and risk of the Chargor;

(q) **Deal with Charged Assets**

to sell, transfer, assign, exchange or otherwise dispose of or realise the Charged Assets to any person (including a new company formed pursuant to paragraph (c) (*Hive down*)) either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred);

(r) **Hive down**

to form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or part thereof or any rights attaching thereto;

(s) **Borrow money**

to borrow or raise money either unsecured or on the security of the Charged Assets (either in priority to the Charges or otherwise);

(t) **Rights of ownership**

to exercise and do (or permit the Chargor or any Nominee to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute legal or beneficial owner of the Charged Assets (including without limitation the exercise of any or all of the voting rights in respect of the Charged Assets and the right to receive Dividends);

(u) **Covenants and guarantees**

to enter into bonds, covenants, guarantees, indemnities and other commitments and to make all payments needed to effect, maintain or satisfy them and to use the company seal of the Company;

(v) **Claims**

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person relating to the Charged Assets;

- (w) **Legal actions**
to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets and in addition to take or defend proceedings for the compulsory winding-up of the Chargor and proceedings for directions under Section 255 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong);
- (x) **Redemption of Security**
to redeem any Security (whether or not having priority to the Charges) over the Charged Assets and to settle the accounts of any person with an interest in the Charged Assets;
- (y) **Spend money**
in the exercise of any of the above powers, to spend such sums as he may properly think fit and the Chargor shall forthwith on demand repay to the Chargee or the Receiver (as the case may be) all sums so spent together with interest on those sums at such rates as the Chargee may from time to time properly determine from the time they are paid or incurred and until repayment those sums (together with such interest) shall be secured by the Charges;
- (z) **Acquisitions**
to purchase, lease, hire or otherwise acquire any assets or rights of any description which he shall in his absolute discretion consider necessary for the improvement or realisation of the whole or any part of the Charged Assets or otherwise for the benefit of the whole or any part of the Charged Assets;
- (aa) **Receipts**
to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Asset;
- (bb) **Delegation**
to delegate his powers in accordance with Clause 10.1 (*Delegation*);
- (cc) **Appointment and Removal of Directors**
to complete, date and put into effect any stock transfer form, share transfer certificate or any other form of instrument of transfer delivered in relation to the Charged Assets or any part thereof pursuant to Clause 4 (*Restrictions and Further Assurance*), any letter of resignation, any undated resolution(s) of the board of directors or sole director of the Company (as the case may be) and/or any other document(s) delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) and to exercise all powers of appointment and/or removal of the directors of the Company attaching to the Charged Assets or any part thereof; and
- (dd) **Other powers**
to do anything else he may think fit for the realisation of the Charged Assets or incidental to the exercise of any of the rights conferred on the Chargee or any Receiver under or by virtue of this Deed and/or applicable statutory provisions and common law.

PARTICULARS OF THE COMPANY AND THE SHARES

REGISTERED SHAREHOLDER / NOMINEE SHAREHOLDER	DESCRIPTION AND NUMBER OF ISSUED SHARE(S)	BENEFICIAL OWNER
<u>SHARE A1</u>		
GROUP SENSE (HOLDING) LIMITED Place of Incorporation: <u>British Virgin Islands</u> Company Number: <u>46372</u> Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	998 ordinary shares Share No. [●]	GROUP SENSE (HOLDING) LIMITED Place of Incorporation: <u>British Virgin Islands</u> Company Number: <u>46372</u> Registered office: Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
<u>SHARE A2</u>		
GROUP SENSE (HOLDING) LIMITED Place of Incorporation: <u>British Virgin Islands</u> Company Number: <u>46372</u> Registered office: Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands	200,000 5% deferred shares Share No. 19	GROUP SENSE (HOLDING) LIMITED Place of Incorporation: <u>British Virgin Islands</u> Company Number: <u>46372</u> Registered office: Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
<u>SHARE B1</u>		
TAM WAI HO Holder of Hong Kong identity card no.: G262672(0)	1 ordinary share Share No. [●]	GROUP SENSE (HOLDING) LIMITED Place of Incorporation: <u>British Virgin Islands</u> Company Number: <u>46372</u> Registered office: Vistra Corporate Services Centre, Wickhams Cay II, Road Town,

Share Charge (over shares in Group Sense Limited (權智有限公司))

REGISTERED SHAREHOLDER / NOMINEE SHAREHOLDER	DESCRIPTION AND NUMBER OF ISSUED SHARE(S)	BENEFICIAL OWNER
		Tortola, VG1110, British Virgin Islands
<u>SHARE B2</u>		
TAM WAI TONG Holder of Hong Kong identity card no.: E710420(4)	1 ordinary share Share No. [●]	GROUP SENSE (HOLDING) LIMITED Place of Incorporation: <u>British Virgin Islands</u> Company Number: <u>46372</u> Registered office: Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands

FORM OF LETTER OF RESIGNATION

To: [The Board of Directors]
Group Sense Limited
(權智有限公司)
(the "**Company**")

Date: [to be left blank]

Dear Sirs,

Resignation

I hereby tender my unconditional and irrevocable resignation as a director of the Company with effect from the date of this letter. I confirm that:

1. I have no claims whatsoever against the Company on any account (whether for loss of office, for accrued remuneration or for fees or otherwise howsoever); and
2. there is no outstanding agreement or arrangement with the Company under which the Company has or would have any obligation to me whether now or in the future or under which I would derive any benefit.

SIGNED, SEALED and DELIVERED
as a **DEED** by
[name of director]
in the presence of

)
)
)
)

L. S

Witness:

FORM OF LETTER OF UNDERTAKING AND AUTHORISATION

To: Group Sense (International) Limited as Chargee (as defined in the Share Charge referred to below, which expression shall include its and any subsequent successors, assigns and transferees)

Dear Sirs,

Share Charge dated [] between Group Sense (Holding) Limited as chargor and Group Sense (International) Limited as chargee (the "Share Charge") in respect of the entire issued shares in Group Sense Limited (權智有限公司) (the "Company")

I hereby unconditionally and irrevocably:

1. undertake to procure, to the extent of my powers as a director of the Company, that any or all of the shares in the Company which are charged to the Chargee pursuant to the Share Charge shall upon your request (given at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms) be promptly registered in the name of the Chargee or (at the request of the Chargee) any person(s) whom the Chargee may nominate (and hereby permits the Chargee or its nominee(s) to register the transfer of shares in the name of the Chargee or any person(s) whom the Chargee may nominate in such circumstances, if it/they have custody of the original Register of Members); and
2. authorise each of the Chargee and any other person(s) authorised by the Chargee severally to complete, date and put into effect:
 - (a) any letter of resignation signed by me and delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) of the Share Charge;
 - (b) any written resolutions of the board of directors of the Company signed by me delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) of the Share Charge; and
 - (c) any other document signed by me and delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) of the Share Charge,

at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms.

Dated:

SIGNED, SEALED and DELIVERED

as a **DEED** by

[*name of relevant director*]

in the presence of

Witness:

)
)
)
)

L. S

FORM OF WRITTEN RESOLUTIONS

GROUP SENSE LIMITED

(權智有限公司)

(incorporated in Hong Kong)

(the "Company")

WRITTEN RESOLUTIONS OF
THE BOARD OF DIRECTORS OF THE COMPANY

IT IS RESOLVED THAT:

1. each of the following transfer(s) of the share(s) in the Company be approved and that, upon the delivery to any director of the Company of a duly completed instrument of transfer in respect of any of the following transfer(s), the name of the relevant transferee(s) be entered forthwith in the Register of Members of the Company in respect of the relevant share(s) so transferred and that new share certificate(s) in respect of such share(s) be issued forthwith to such transferee(s) in accordance with the Articles of Association of the Company:

Transferor(s)

Transferee(s)

No. of Share(s)

[to be left blank]

2. each of the following person(s) be appointed as additional director(s) of the Company with immediate effect:

[to be left blank]

3. the resignation of the following person(s) as director(s) of the Company be accepted with immediate effect:

[to be left blank]

4. the register of directors of the Company be updated to record the above changes in directors.

Dated: [to be left blank]

[all the director(s) of the Company to state their names and sign]

[Name of Director]

[Name of Director]

FORM OF INSTRUMENT OF TRANSFER

GROUP SENSE LIMITED

(權智有限公司)

(the "Company")

INSTRUMENT OF TRANSFER

INSTRUMENT OF TRANSFER dated _____ *[leave undated]*
[Name of Chargor or Nominee] (the "Transferor") does hereby transfer to
_____ of
_____ (the "Transferee")
_____ (the "Shares") of a par value of _____ each in the
Company.

SIGNED for and on behalf of the
TRANSFEROR:

) _____
) Duly Authorised Signatory
)
) Name: _____
)
) Title: _____
)

And I/we do hereby agree to take the Shares.

SIGNED for and on behalf of **TRANSFeree:**

) _____
) Duly Authorised Signatory
)
) Name: _____
)
) Title: _____
)

Address of Transferee:

BOUGHT AND SOLD NOTES

SOLD NOTE

Buyer
Address

Name of company in which the share(s) to be transferred -

GROUP SENSE LIMITED
(權智有限公司)

Number of share(s)

Consideration received

(*Seller*)

For and on behalf of
[*Name of relevant Chargor*]

Dated: [*to be left blank*]

BOUGHT NOTE

Seller
Address

Name of company in which the share(s) to be transferred -

GROUP SENSE LIMITED
(權智有限公司)

Number of share(s)

Consideration paid

(*Buyer*)

For and on behalf of

Dated: [*to be left blank*]

Share Charge (over shares in Group Sense Limited (權智有限公司))

FORM OF ACKNOWLEDGMENT FROM NOMINEE

To: Group Sense (International) Limited as Chargee (as defined in the Share Charge referred to below, which expression shall include its and any subsequent successors, assigns and transferees)

Dear Sirs,

At the request of Group Sense (Holding) Limited (the "**Chargor**"), we hereby:

1. warrant and confirm that we are the registered holder(s) of [*insert number and description of relevant Charged Assets*] (the "**Share**") and am holding the Share as nominee for and on behalf of the Chargor;
2. acknowledge that the Chargor has, pursuant to a share charge (as amended from time to time, the "**Share Charge**") dated _____ 2018 between, the Chargor as chargor, and Group Sense (International) Limited as chargee, charged the Share in favour of you as security upon the terms and conditions specified therein;
3. undertake that we shall, upon and at all times after notification by you to us that the security constituted by the Share Charge has become enforceable in accordance with the terms therein, hold the Share on trust for you (or any other person whom you may nominate);
4. undertake that we shall, upon being requested by you to do so, transfer the legal title in the Share to you (or any other person whom you may nominate) and do all acts and execute all documents as may be necessary and/or as you may require for such purpose; and
5. irrevocably and unconditionally appoint each of you, any Receiver (as defined in the Share Charge) and any Delegate (as defined in the Share Charge) severally to be our attorney on the terms of Clause 13 (*Power of Attorney*) of the Share Charge (*mutatis mutandis*) as if we were the Chargor, and undertake to execute such further powers of attorney in such form as you may reasonably require from time to time.

Dated:

[in the case where the relevant Nominee is a company incorporated in Hong Kong or a company incorporated outside Hong Kong which has a company seal]

THE COMMON SEAL of)
[*name of relevant Nominee*])
was hereunto affixed)
in the presence of)

Witness:

[in the case where the relevant Nominee is a company outside Hong Kong which does not have any company seal]

Share Charge (over shares in Group Sense Limited (權智有限公司))

SIGNED, SEALED and DELIVERED)
as a **DEED** by)
[name of relevant authorised signatory])
for and on behalf of)
[name of relevant Nominee])
in the presence of)

L. S

Witness:

[in the case where the relevant Nominee is an individual]
SIGNED, SEALED and DELIVERED)
as a **DEED** by)
[name of relevant Nominee])
in the presence of)

L. S

Witness:

FORM OF IRREVOCABLE POWER OF ATTORNEY AND PROXY

GROUP SENSE (HOLDING) LIMITED
(incorporated in the British Virgin Islands)
(the "**Company**")

The undersigned, Group Sense (Holding) Limited, hereby constitutes and appoints **Group Sense (International) Limited** to be our attorney and proxy (hereinafter called the "**Attorney and Proxy**") to, at any time after the security constituted by the Share Charge (as defined below) shall have become enforceable under clause 8.1 (*When enforceable*) of the Share Charge, appear, vote and otherwise act, all in the name, place and stead of the undersigned in the same way that the undersigned might do and with the same powers, with respect to all of the shares or stock in **Group Sense Limited (權智有限公司)** (hereinafter called the "**Company**"), owned or hereinafter acquired by the undersigned that are subject to the Share Charge, at any and all meetings of the shareholders of the Company, on any and all matters, questions and resolutions that may come before such meetings, including, but not limited to, the election of director(s) or at any adjournment(s) thereof, or to consent on behalf of the undersigned in the absence of a meeting to anything that might have been voted on at such a meeting.

This Power of Attorney and Proxy is coupled with the interest of **Group Sense (International) Limited** as chargee pursuant to a Share Charge dated _____ in respect of the issued shares of the Company (the "**Share Charge**") and is irrevocable. It shall continue in effect after the security constituted by the Share Charge shall have become enforceable in accordance with its terms and so long as the debt for which the charge contained in the said Share Charge granted as a security remains unpaid.

The Attorney and Proxy named herein is hereby given full power of substitution and revocation and may act through such agents, nominees or substitute attorney(s) as it may from time to time appoint.

The power of the Attorney and Proxy shall include (without limiting its general powers hereunder) the power to receive and waive any notice of any meeting on behalf of the undersigned.

And the undersigned agrees to ratify and confirm all that the said Attorney and Proxy or its substitutes duly appointed shall do in the name, place and stead of the undersigned pursuant hereto, save for the gross negligence, wilful misconduct or fraud of the said Attorney and Proxy or its substitutes, agents, nominees or substitute attorneys.

IN WITNESS whereof this instrument has been duly executed as a deed this _____ day of _____.

EXECUTED)
as a **DEED** by)
GROUP SENSE (HOLDING))
LIMITED)
in the presence of)

Signature of Witness

Name: _____
Address: _____

WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY

GROUP SENSE LIMITED

(incorporated Hong Kong)

(權智有限公司))

(the "Company")

WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY

AMENDMENT OF ARTICLES OF ASSOCIATION

RESOLVED THAT the following resolution be passed as a Special Resolution of the Company:

"That the Articles of Association of the Company be and are hereby amended by deleting the existing article 39 in its entirety and replacing it with the following articles:

'39(a). Subject to article 39(b), the directors may decline to register any transfer of shares to any person without giving any reason therefor. The directors may suspend the registration of transfer during the twenty-one days immediately preceding the Annual General meeting in each year. The directors may decline to register any instrument of transfer, unless (a) a fee not exceeding two dollars is paid to the company in respect thereof, and (b) the instrument of transfer is accompanied by the Certificate of the shares to which it relates, and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer.

39(b). Subject to the articles of association of the company and the Ordinance, the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof where such transfer is:

- (iv) to any mortgagee or chargee in favour of whom the relevant shares have been mortgaged or charged;
- (v) by any such mortgagee or chargee, pursuant to the power of sale under its security;
- (vi) by any such mortgagee or chargee in accordance with the terms of the relevant security document.

39(c). Notwithstanding article 31, any lien which the company may have on shares which have been charged by way of security to any mortgagee or chargee shall not be exercisable by the company insofar as that may affect the interest of such mortgagee or chargee.'

For and on behalf of
Group Sense (Holding) Limited

Name:

Title:

Date:

SIGNATURE PAGE

THE CHARGOR

EXECUTED as a **DEED** by)
)
for and on behalf of)
)
GROUP SENSE (HOLDING))
LIMITED)
in the presence of:-)

THE CHARGE

SIGNED by)
)
for and on behalf of)
GROUP SENSE (INTERNATIONAL))
LIMITED)
)
in the presence of:-)

SCHEDULE 7
FORM OF PRO FORMA BVI SHARE CHARGE

Private & Confidential

Dated _____ **2018**

[•]
(as Chargor)

in favour of

[•]
(as Chargee)

SHARE CHARGE
in respect of the entire issued shares of
[•]

**ReedSmith
Richards Butler**

CONTENTS

<u>CLAUSE</u>	<u>PAGE</u>
1. DEFINITIONS AND CONSTRUCTION	1
2. COVENANT TO PAY	4
3. SECURITY.....	5
4. RESTRICTIONS AND FURTHER ASSURANCE.....	6
5. CHARGED SHARES.....	8
6. GENERAL UNDERTAKINGS	10
7. REPRESENTATIONS AND WARRANTIES	13
8. ENFORCEMENT.....	15
9. APPOINTMENT AND RIGHTS OF RECEIVERS	16
10. CHARGEES RIGHTS	17
11. APPLICATION OF PROCEEDS.....	18
12. LIABILITY OF CHARGEES, RECEIVER AND DELEGATES	18
13. POWER OF ATTORNEY.....	19
14. PROTECTION OF THIRD PARTIES.....	19
15. SAVING PROVISIONS.....	20
16. DISCHARGE OF SECURITY.....	22
17. COSTS, CHARGES AND EXPENSES.....	23
18. PAYMENTS.....	23
19. TAX GROSS UP.....	24
20. SEPARATE AND INDEPENDENT OBLIGATIONS.....	24
21. CONDUCT OF BUSINESS BY THE CHARGEES.....	24
22. OTHER INDEMNITIES	24
23. SET-OFF	25
24. ASSIGNMENTS AND TRANSFERS.....	25
25. REMEDIES, WAIVERS, CERTIFICATE, SEVERABILITY AND COUNTERPARTS	26
26. NOTICES	26
27. GOVERNING LAW AND JURISDICTION.....	27
SCHEDULE 1 RIGHTS OF RECEIVERS	29
SCHEDULE 2 PARTICULARS OF THE COMPANY AND THE SHARES.....	31
SCHEDULE 3 FORM OF LETTER OF RESIGNATION.....	32
SCHEDULE 4 FORM OF LETTER OF UNDERTAKING AND AUTHORISATION	33
SCHEDULE 5 FORM OF WRITTEN RESOLUTIONS	34
SCHEDULE 6 FORM OF INSTRUMENT OF TRANSFER.....	35
SCHEDULE 7 FORM OF IRREVOCABLE POWER OF ATTORNEY AND PROXY	36
SCHEDULE 8 FORM OF DEED OF UNDERTAKING AND CONFIRMATION FROM THE COMPANY TO THE CHARGEES.....	37

SCHEDULE 9 FORM OF LETTER OF INSTRUCTIONS FROM THE COMPANY TO ITS
REGISTERED AGENT.....**39**

SCHEDULE 10 WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE ..COMPANY
41

SIGNATURE PAGE

THIS DEED is made on

2018 between:

- (1) [●], a BVI business company incorporated under the laws of the British Virgin Islands with limited liability and with company number [●] and whose registered office address is at [●] British Virgin Islands (the "**Chargor**"); and
- (2) **GROUP SENSE (INTERNATIONAL) LIMITED**, a company incorporated under the laws of Bermuda and registered as a non-Hong Kong company under Part 16 of the Companies Ordinance and listed on The Stock Exchange of Hong Kong Limited (stock code: 601) whose registered office is at Clarendon House, Church Street, Hamilton HM11, Bermuda] (the "**Chargee**").

WHEREAS:-

- (A) Pursuant to a sale and purchase agreement dated on or around the date of this Deed (as amended and supplemented from time to time, the "**Sale and Purchase Agreement**") entered into between [●] as purchaser (the "**Purchaser**") and the Chargee as vendor, the Chargee agreed to sell and the Purchaser agreed to purchase the entire issued shares in each of Group Sense (S.E.A.) Limited and Group Sense Investment Limited in accordance with the terms and conditions contained therein.
- (B) It is a condition under the Sale and Purchase Agreement that at the time of Completion (as defined in the Sale and Purchase Agreement) that the Chargor shall have executed and delivered this Deed and any other ancillary documentation to and specified in this Deed to the Chargee.

NOW THIS DEED WITNESSES as follows:

DEFINITIONS AND CONSTRUCTION

Definitions

Words and expressions defined in the Sale and Purchase Agreement shall, unless otherwise defined in this Deed, or the context otherwise requires, have the same meanings when used in this Deed.

Defined Terms

"**BVI Act**" means the BVI Business Companies Act, 2004 (as amended) of the British Virgin Islands.

"**Charged Assets**" means the assets of the Chargor from time to time subject, or expressed to be subject, to the Charges or any part of those assets.

"**Charge**" or "**Charges**" means all or any of the Security created or expressed to be created by or pursuant to this Deed.

"**Company**" means [●], a company incorporated in the British Virgin Islands whose registered address is at [●].

"**Companies Ordinance**" means the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

"**CPO**" means the Conveyancing and Property Ordinance (Cap. 219 of the Laws of Hong Kong).

"**Deed**" means this Share Charge.

"**Delegate**" means a delegate or sub-delegate appointed under Clause 10.1 (*Delegation*).

"**Dividends**" means all present and future:

dividends and distributions of any kind and any other sum received or receivable in respect of any Share;

rights, shares, money or other assets accruing or offered by way of redemption, bonus, option or otherwise in respect of any Share;

allotments, offers and rights accruing or offered in respect of any Share; and

other rights and assets attaching to, deriving from or exercisable by virtue of the ownership of, any Share.

An "**Event of Default**" occurs when the Purchaser fails to comply with any provision under the Sale and Purchase Agreement (including, but not limited to payment of all of any part of the Consideration) within the relevant grace period as permitted under the Sale and Purchase Agreement or within such timeframe as allowed by the Chargee.

"**Party**" means a party to this Deed and includes its successors in title, permitted assigns and transferees and "**Parties**" means all of them.

"**Receiver**" means any receiver, manager, receiver and manager or other similar officer appointed by the Chargee in respect of any or all of the Charged Assets pursuant to this Deed.

"**Register of Charges**" means the register of charges of the Chargor maintained by the Chargor in accordance with section 162 of the BVI Act.

"**Registrar of Corporate Affairs**" means the Registrar of Corporate Affairs of the British Virgin Islands appointed under Section 229 of the BVI Act.

"**Register of Directors**" means the register of directors of the Company maintained by the Company in accordance with the BVI Act.

"**Register of Members**" means the register of members of the Company maintained by the Company (including any applicable branch register and non-listed shares register) in accordance with the BVI Act.

"**Release Date**" means the date on which all the Secured Obligations have been paid, repaid, fulfilled or otherwise discharged in full to the reasonable satisfaction of the Chargee.

"**Relevant Jurisdiction**" means, in relation to the Chargor:

- (m) its jurisdiction of incorporation;
- (n) any jurisdiction where any asset subject to or intended to be subject to this Deed is situated;

- (o) any jurisdiction where it conducts its business; and
- (p) the jurisdiction whose laws govern the perfection of any of this Deed.

"Secured Obligations" means any and all moneys, liabilities and obligations (whether actual or contingent, whether as principal, surety or otherwise, whether now existing or hereafter arising, whether or not for the payment of money, and including, without limitation, any obligation or liability to pay damages) which are or may become payable or owing to the Chargee by the Purchaser under or pursuant to the Sale and Purchase Agreement or by the parties to the Security Documents (other than the Chargee) under or pursuant to the Security Documents and/or all other obligations hereby secured including, all legal and other costs, charges and expenses which the Chargee or its receiver or any such other person acting on their behalf may incur in enforcing or obtaining, or attempting to enforce or obtain, payment of any such moneys, debts and liabilities.

"Security Perfection Requirement" means the making or procuring of the appropriate registrations, filings, endorsements, notarisations, stampings and/or notifications of this Deed or the Security created hereunder in each case for the purposes of perfection of the Security created hereunder

"Security" means a mortgage, charge, pledge, lien or other security interest securing any obligation of any person or any other agreement or arrangement having a similar effect.

"Shares" means all present and future shares in the Company and beneficially owned by the Chargor, including all the shares issued and outstanding at the date of this Deed and the details of which are fully described in Schedule 2 (*Particulars of the Company and the Shares*).

"Third Parties Ordinance" means the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong).

Construction

- (i) In this Deed, unless the context otherwise requires:
 - (i) references to Clauses and Schedules are references to the clauses of, and schedules to, this Deed;
 - (ii) reference in a Clause to a sub-clause is a reference to a sub-clause of that Clause;
 - (iii) a reference to an agreement includes any contract, document, instrument or deed, an arrangement and any other kind of commitment;
 - (iv) a reference to any agreement is to that agreement as it may be amended or varied or novated by the parties thereto from time to time;
 - (v) words importing the plural include the singular and vice versa, and words importing a gender include every gender;
 - (vi) references to any person include references to his respective successors in title, permitted assigns and transferees;
 - (vii) a provision of law is a reference to that provision as amended or re-enacted; and

- (viii) a time of day is a reference to Hong Kong time.
- (j) Clause and Schedule headings are for ease of reference only.
- (k) An Event of Default is "**continuing**" if it has not been waived by the Chargee.
- (l) Unless expressly provided otherwise, where this Deed specifies an amount in a given currency (the "**specified currency**") "**or its equivalent**", the "**equivalent**" is a reference to the amount of any other currency which, when converted into the specified currency utilising the spot rate of exchange of a bank to be selected by the Chargee for the purchase of the specified currency with that other currency at or about 11 a.m. on the relevant date, is equal to the relevant amount in the specified currency.

1.4 ***Third party rights***

- (g) Unless expressly provided to the contrary in this Deed, a person who is not a Party has no right under the Third Parties Ordinance to enforce or to enjoy the benefit of any term of this Deed.
- (h) Notwithstanding any term of this Deed, the consent of any person who is not a party to this Deed is not required to rescind or vary this Deed at any time.
- (i) Any Receiver or Delegate may, subject to this Clause 1.4 and the Third Parties Ordinance, rely on any Clause of this Deed which expressly confers rights on it.

1.5 ***Sale and Purchase Agreement***

This Deed is a "Security Document" for the purposes of the Sale and Purchase Agreement.

COVENANT TO PAY

2.1 ***Covenant to Pay Secured Obligations***

The Chargor covenants that it shall on demand pay to the Chargee all monies and discharge all obligations and liabilities now or hereunder due, owing or incurred by the Purchaser to the Chargee under or pursuant to the Sale and Purchase Agreement in each case when the same become due for payment or discharge whether by acceleration or otherwise, and whether such monies, obligations or liabilities are express or implied; present, future or contingent; joint or several; incurred as principal or surety; originally owing to the Chargee or purchased (whether by assignment or otherwise) or acquired in any other way by it; denominated in whatever currency; or incurred on any current or other banking account or in any other manner whatsoever. The making of one demand under this Deed will not preclude the Chargee from making any further demands whilst any amounts remain outstanding under the Sale and Purchase Agreement.

2.2 ***Potential Invalidity***

Neither the covenant to pay in Clause 2.1 (*Covenant to Pay Secured Obligations*) nor the security created by this Deed shall extend to or include any liability or sum which would, but for this Clause 2.2, cause such covenant, obligation or security to be unlawful under any applicable law.

SECURITY

Charge

The Chargor, as legal and beneficial owner and as continuing security for the due and punctual payment and discharge of all Secured Obligations:

- (a) charges in favour of the Chargee by way of first fixed charge to the Chargee, all its rights, title and interest present and future in and to the Shares and Dividends except to the extent that such rights are subject to a valid and effective assignment by way of fixed security with first ranking priority under Clause 3.1(b); and
- (b) assigns by way of fixed security with first ranking priority, and agrees to assign by way of first fixed security absolutely to the Chargee, all its rights (including those rights it may have against a nominee), present and future, relating to any of the Shares and/or Dividends, including without limitation:
 - (i) its rights relating to or against any depositary, nominee or similar person with whom any of the Shares and/or Dividends may be deposited to the extent of those Shares and/or Dividends;
 - (ii) rights it may have against any person to require delivery to it of any of the Shares and/or Dividends;
 - (iii) rights to give instructions relating to any of the Shares and/or Dividends; and
 - (iv) all claims for damages and rights to receive moneys due or to become due for any reason whatsoever in respect of any of the Shares and/or Dividends,

including those rights it may have against a nominee or a Delegate (in each case subject to the provisions of this Deed).

Further security

The Chargor shall, promptly upon the Chargee so requiring by notice to it, execute and deliver (or procure the execution and delivery of the same) to the Chargee such other Security (in such form as the Chargee shall require and, to the extent possible, on terms substantially similar to this Deed) in favour of the Chargee as the Chargee may require from time to time in order to:-

- (a) ensure that it has an effective fixed charge over the Charged Assets; and
- (b) facilitate the enforcement of the Charges, the realisation of the Charged Assets or the exercise of any rights held by the Chargee or any Receiver under or in connection with the Charges in accordance with this Deed.

Retention of documents

The Chargee shall be entitled to continue to hold any document delivered to it pursuant to Clause 4.3 (*Delivery of documents*) until the Charges (or the applicable part thereof) are released in accordance with the terms of this Deed.

RESTRICTIONS AND FURTHER ASSURANCE

Security

The Chargor shall not create or permit to subsist any Security over the Charged Assets unless such Security is created with the prior written consent of the Chargee.

Disposal

The Chargor shall not (nor shall the Chargor agree to) enter into a single transaction or a series of transactions (whether related or not and whether voluntary or involuntary) to sell, lease, withdraw, transfer or otherwise dispose of the Charged Assets.

Delivery of documents

In furtherance of the Security created under this Deed:

- (a) the Chargor shall deliver or procure that there shall be delivered to the Chargee such documents relating to the Charged Assets as the Chargee requires for the purpose of perfecting the Charges and the following documents (in the form set out in the relevant Schedules hereto or otherwise in a form and substance reasonably satisfactory to the Chargee) (i) in respect of the Charged Assets in existence on the date of this Deed, upon execution of this Deed and (ii) in respect of any Charged Asset coming into existence or acquired by the Chargor after the date of this Deed, within five (5) Business Days after such coming into existence or acquisition, all of which documents may be held by the Chargee until all of the Charges are released:
 - (i) valid and duly issued share certificates (of each class) in respect of such Charged Assets;
 - (ii) a certified copy of the Register of Members;
- (b) the Chargor shall deliver or procure that there shall be delivered to the Chargee such documents relating to the Charged Assets as the Chargee requires for the purpose of perfecting the Charges and the following documents (in the form set out in the relevant Schedules hereto or otherwise in a form and substance reasonably satisfactory to the Chargee) (i) in respect of the Charged Assets in existence on the date of this Deed, upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion, and (ii) in respect of any Charged Asset coming into existence or acquired by the Chargor after the date of this Deed, the later of (A) five (5) Business Days after such coming into existence or acquisition and (B) the occurrence of an Event of Default, or such other time as the Chargee requests in its absolute discretion, all of which documents may be held by the Chargee until all of the Charges are released:
 - (i) an executed but undated instrument of transfer in respect of the Shares in favour of the Chargee or its nominees (as the Chargee shall direct) in the form set out in Schedule 6 (*Form of Instrument of Transfer*);
 - (ii) an irrevocable proxy and power of attorney executed by the Chargor to the Chargee in respect of shareholder's meetings and written resolutions of the Company, in the forms set out in Schedule 7 (*Form of Irrevocable Power of Attorney and Proxy*); and

- (iii) all other documents necessary to enable the Chargee to register such Charged Assets in its name or in the name of its nominees pursuant to this Deed;
- (c) the Chargor shall promptly deliver or procure that there shall be delivered to the Chargee the following documents upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion:
 - (i) an undated letter of resignation duly executed by each director of the Company in substantially the form set out in Schedule 3 (*Form of Letter of Resignation*);
 - (ii) a letter of undertaking and authorisation duly executed by each director of the Company in substantially the form set out in Schedule 4 (*Form of Letter of Undertaking and Authorisation*);
 - (iii) undated written resolutions of the board of directors or sole director of the Company (as the case may be) duly executed by all of the directors or the sole director of the Company (as the case may be) in substantially the form set out in Schedule 5 (*Form of Written Resolutions*);
 - (iv) an executed irrevocable deed of undertaking and confirmation from the Company to the Chargee in the form set out in Schedule 8 (*Form of Deed of Undertaking and Confirmation from the Company to the Chargee*);
 - (v) an executed irrevocable letter of instructions from the Company to its registered agent in the form set out in Schedule 9 (*Form of Letter of Instructions from the Company to its Registered Agent*) (which executed letter shall be delivered by, or on behalf of, the Company to its registered agent immediately after execution of this Charge and as soon as reasonably practicable thereafter, the Chargor shall use its reasonable endeavour to deliver, or cause to be delivered, to the Chargee a copy of such letter signed by the registered agent of the Company acknowledging, and agreeing to the terms of, such letter),

and shall (1) after the appointment of any new director(s) of the Company after the date of this Deed, procure the delivery to the Chargee of the documents referred to in paragraphs (i) and (ii) in respect of such director and (2) after the appointment or resignation of any director(s), procure the delivery to the Chargee the document referred to in paragraph (iii), in each case, upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion.

Further assurance

- (a) The Chargor shall, at its own expense, promptly take such action as the Chargee may require:
 - (i) for the purpose of perfecting or protecting the Chargee's rights under and preserving the Charges intended to be created or evidenced by this Deed or the priority of the Charges; and
 - (ii) after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), for the purpose of facilitating the realisation of the Charged Assets or the exercise of any rights vested in the Chargee, any Receiver or any Delegate,

including the execution of any transfer, conveyance, charge, mortgage, assignment or assurance of the Charged Assets (whether to the Chargee or its nominees or otherwise), the making of any registration, the obtaining of any legal advice and the giving of any notice, order or direction.

- (b) Without prejudice to Clause 4.4(a), the Chargor shall (and, if applicable, shall procure that its nominees will) at the request of the Chargee, within five (5) Business Days upon any transfer of any or all of the Charged Assets to the Chargee or its nominee or any purchaser in accordance with this Deed upon or after an enforcement in accordance with Clause 8 (*Enforcement*) of any of the Charges, procure the registration of such transfer in the books of the Company and the entry of the Chargee, such nominee or such purchaser (as the case may be) in the Register of Members as the holder of such Charged Assets.

Director(s) resolution

After this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), the Chargor shall procure to the extent that it is within its power as a shareholder of the Company that any transfer to or by the Chargee or its nominee or purchaser of any of the Charged Assets is duly approved by the board of directors or sole director of the Company (as the case may be) and registered in the Register of Members (if necessary, by replacing the board of directors or sole director of the Company (as the case may be) with director(s) nominated by the Chargee).

CHARGED SHARES

Voting and other rights

Subject to Clause 5.3 (*Voting and other rights if the Charges become Enforceable*), the Chargor shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Share as it sees fit provided that the exercise or failure to exercise those rights will not prejudice the value of, or the ability of the Chargee to realise, the security created by this Deed.

Variation of Rights, Further Issuance

- (a) The Chargor shall not, without the prior written consent of the Chargee, by the exercise of any voting rights or otherwise, permit or agree:
 - (i) to any increase in the number of issued shares of or ownership interest in the Company (save as permitted under Clause 5.2(b));
 - (ii) any variation of the rights attaching to or conferred by all or any part of the Charged Assets; or
 - (iii) any amendment or variation of the memorandum of association or articles of association of the Company (other than any amendment or variation required by the Chargee under this Deed).
- (b) Paragraph (i) of Clause 5.2(a) does not apply to the allotment or issuance of shares of the Company if all of such shares are fully paid-up and immediately subject to the Charges hereunder upon the allotment or issuance of the same.

Voting and other rights if the Charges become Enforceable

At any time after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*):

- (a) the Chargee or any Receiver shall be entitled to exercise or direct the exercise of the voting and other rights attached to any Charged Asset as it sees fit;
- (b) the Chargor shall comply or procure the compliance with any directions of the Chargee or the Receiver in respect of the exercise of those rights (as long as such compliance does not contravene any applicable law or regulation) and shall promptly execute and/or deliver to the Chargee or such Receiver such forms of proxy as it may require in connection with that exercise;
- (c) the Chargee shall be entitled to transfer all or any part of the Charged Assets into the name of such nominee(s) of the Chargee as it shall require; and
- (d) the Chargee shall be entitled to exercise (or refrain from exercising) the powers and rights conferred on or exercisable by the legal or beneficial owner of the Charged Assets, including without limitation the right, in relation to the Company whose shares, ownership interests or other securities are charged pursuant to this Deed, to concur or participate in:

the reconstruction, amalgamation, sale or other disposal of the Company or any of its assets or undertaking (including without limitation the exchange, conversion or reissue of any shares, ownership interests or securities as a consequence thereof);

the release, modification or variation of any rights or liabilities attaching to such shares, ownership interests or securities; and

the exercise, renunciation or assignment of any right to subscribe for any shares, ownership interests or securities,

in each case in such manner and on such terms as the Chargee may think fit, and the proceeds of any such action shall form part of the Charged Assets.

Dividends

- (a) Prior to this Deed becoming enforceable in accordance with Clause 8.1 (*When enforceable*), the Chargor shall be entitled to receive any Dividends in respect of the Shares.
- (b) At any time after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), the Chargor shall hold any and all income in respect of any or all of the Charged Assets received or recovered by him on trust for the Chargee and pay the same immediately to the Chargee as it may direct in accordance with this Deed. The Chargee shall be entitled to apply the same in accordance with Clause 11 (*Application of proceeds*) in discharge of the Secured Obligations.

Notification

The Chargor shall promptly notify the Chargee of the declaration, payment, allotment, offer or issue of any Dividend.

Payment of calls etc.

The Chargor will promptly pay or procure the payment of all calls, instalments or other payments which may at any time become due in respect of any of the Charged Assets. If the Chargor fails to make or procure such payment, the Chargee may, in its absolute discretion, make such payment on behalf of the Chargor and any sum so paid by the Chargee shall be reimbursed by the Chargor within five (5) Business Days of demand and shall carry interest from the date of payment by the Chargee until reimbursed at the rate stipulated in Clause 2.3 (*Interest*) and in accordance with Clause 17 (*Costs, Charges and Expenses*).

Power of attorney

If any Charged Asset is not held in the Chargor's name other than as a result of the enforcement of the Charges in accordance with the terms of this Deed, the Chargor shall promptly, at the request of the Chargee, deliver to the Chargee an irrevocable power of attorney, expressed to be given by way of security and executed as a deed by the person in whose name that Charged Asset is held. That power of attorney shall appoint the Chargee, every Receiver and every Delegate as the attorney of the holder of that Charged Asset and shall be in substantially the same terms as set out in Clause 13 (*Power of attorney*).

GENERAL UNDERTAKINGS

Authorisation

The Chargor shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect (and supply certified copies to the Chargee of) any Authorisation required under any applicable law or regulation:

- (a) to enable it to perform its obligations under this Deed; and/or
- (b) to ensure the legality, validity, enforceability or admissibility in evidence in the Relevant Jurisdictions.

Discharge other debts

The Chargor shall punctually pay and discharge all debts and obligations in respect of the Charged Assets which by law have priority over the Charges.

Depreciation of Charged Assets

The Chargor shall not do or cause or permit to be done anything which may depreciate, jeopardise or otherwise prejudice the value of, or the ability of the Chargee to realise, any of the Charged Assets.

No deposit of Shares with any clearing house

The Chargor shall not (and shall ensure that no other person will) deposit any Shares with any depositary, custodian, clearing house or system.

Beneficial ownership

The Chargor shall, except as permitted by Clause 4.2 (*Disposal*), at all times remain the sole, absolute and beneficial owner of the Charged Assets and shall not grant or agree to grant in

favour of any other person any interest in or any option or other rights in respect of any of the Charged Assets.

Information

The Chargor shall give to the Chargee upon receipt copies of all notices, requests and other documents sent or received with respect to the Charged Assets and give to the Chargee such other information regarding the Charged Assets as the Chargee shall reasonably require.

6.7 *No alteration in composition of the board of director(s)*

The Chargor will procure that there shall be no change in the registered office, no change to the place where the original Register of Members is kept, no re-designation of the original Register of Members of the Company and no appointment of any further director(s) or officer(s) of the Company, in each case, without the prior consent in writing of the Chargee or unless expressly permitted by this Deed.

6.8 *No participation in voting concerning a members' liquidation or compromise*

The Chargor shall not without the prior written consent of the Chargee participate in any vote concerning a members' voluntary liquidation or compromise.

6.9 *Articles of association*

- (a) Subject to sub-paragraph (b) below, the Chargor shall ensure that it shall not, without the prior written consent of the Chargee, use its voting rights to permit the Company to amend its articles of association in a way which could be expected to adversely affect the interests of the Chargee.
- (b) The Chargor shall, upon the occurrence of an Event of Default or such other time as the Chargee requests in its absolute discretion, execute and deliver to the Chargee evidence that the articles of association of the Company have been amended to remove the directors' power to veto, and any other restrictions on, transfers of the Charged Assets, pursuant to this Deed, such evidence to be by way of the original or a copy (certified by a director or secretary of the Company) of a special resolution of the members of the Company in or substantially in the form set out in Schedule 10 (*Written Resolutions of the Shareholder of the Company*) or such other form acceptable to the Chargee.

6.10 *Registration*

- (a) The Chargor shall, at its own cost, as soon as reasonably practicable after execution of this Deed:
 - (ix) create and maintain a Register of Charges to the extent this has not already been done in accordance with Section 162 of the BVI Act;
 - (x) enter particulars as required by the BVI Act of the security interests created pursuant to this Deed in the Register of Charges and immediately after entry of such particulars has been made, and in any event within five (5) Business Days of the date of this Deed, provide the Chargee with a certified true copy of the updated Register of Charges;
 - (xi) effect registration, or assist the Chargee in effecting registration, of this Deed with the Registrar of Corporate Affairs pursuant to Section 163 of the BVI Act

by making the required filing, or assisting the Chargee in making the required filing, in the approved form with the Registrar of Corporate Affairs and (if applicable) provide confirmation in writing to the Chargee that such filing has been made;

(xii) if the registration referred to in paragraph (iii) above is made by the Chargor and not the Chargee, immediately on receipt, but in any event within twelve (12) Business Days from the date of this Deed, deliver or procure to be delivered to the Chargee the certificate of registration of charge issued by the Registrar of Corporate Affairs evidencing that the requirements on Part VIII of the BVI Act as to registration have been complied with and the filed stamped copy of the application containing the relevant particulars of charge;

(xiii) procure that the following annotation be entered on the Register of Members of the Company:

"All the shares issued in the name of [●] are charged in favour of Group Sense (International) Limited pursuant to a share charge dated [∗], as amended from time to time."; and

(xiv) file the Register of Members of the Company with the notation referred to in paragraph (v) with the Registrar of Corporate Affairs and as soon as reasonably practicable, and in any event within seven (7) Business Days of the date of this Deed, provide the Chargee with a certified copy of such Register of Members of the Company with such notation and stamped by the Registrar of Corporate Affairs.

(b) The Chargor shall promptly notify the Chargee in writing if it applies to be registered as a non-Hong Kong company under Part 16 of the Companies Ordinance at any time after the date of this Deed. Without prejudice to the foregoing, upon being registered as a non-Hong Kong company under Part 16 of the Companies Ordinance, the Chargor shall promptly:

(i) notify the Chargee and provide it with the details of such registration; and

(ii) comply with the registration requirements under the relevant provisions of the Companies Ordinance in respect of this Deed and the Security created hereby.

6.11 ***Other undertakings***

(a) The Chargor will procure that there shall be no increase or reduction in the authorised or issued shares of the Company without the prior written consent of the Chargee (such consent not to be unreasonably withheld or delayed).

(b) The Chargor shall not, without the prior written consent of the Chargee, participate in any vote concerning a members' liquidation or compromise.

(c) The Chargor hereby covenants that it will not permit the Register of Members of the Company to be maintained outside of the British Virgin Islands or by a service provider other than the person to whom the letter of instructions in Schedule 9 (*Form of Letter of Instructions from the Company to its Registered Agent*) has been given (unless in the latter case, the Chargor has executed and delivered a new letter of instruction in substantially the form of Schedule 9 (*Form of Letter of Instructions from the Company to its Registered Agent*) to the new service provider).

REPRESENTATIONS AND WARRANTIES

Representations

The Chargor represents and warrants to the Chargee that:

- (a) it is a BVI business company duly incorporated, validly existing and in good standing, and registered in the British Virgin Islands with limited liability under the BVI Act and it is not registered as a non-Hong Kong company under Part 16 of the Companies Ordinance nor has it made any application to be so registered;
- (b) it has the power to own its assets and carry on its business as it is being conducted;
- (c) subject further to the fulfilment of any Security Perfection Requirements, this Deed constitutes or, when so executed and delivered, will constitute legal, valid and binding obligations of the Chargor enforceable in accordance with its terms;
- (d) it has all legal power and authority to enter into this Deed and perform its obligations under this Deed and all actions required to authorise the execution and delivery of this Deed and the performance of its obligations under this Deed have been duly taken;
- (e) subject further to the fulfilment of the Security Perfection Requirements, all Authorisation required:
 - (i) to enable it lawfully to enter into, exercise its rights and comply with its obligations in this Deed;
 - (ii) to make this Deed admissible in evidence in the Relevant Jurisdictions; and
 - (iii) for it to carry on its business which is material,have been obtained or effected and are in full force;
- (f) the choice of the laws of Hong Kong as the governing law of this Deed will be recognised and enforced in the Relevant Jurisdictions and its agreement:
 - (i) that this Deed is governed by the laws of Hong Kong; and
 - (ii) not to claim any immunity to which it or its assets may be entitled,are legal, valid and binding under the laws of Hong Kong;
- (g) other than as specified in Clause 6.10 (*Registration*), under the laws of the Relevant Jurisdictions, it is not necessary that this Deed be filed, registered, recorded or enrolled with any court or other authority in any Relevant Jurisdictions or that any stamp, registration, or similar tax be paid on or in relation to this Deed or transactions contemplated by this Deed;
- (h) it is the sole legal and beneficial owner of the Charged Assets;
- (i) it has not created (or permitted to subsist) any Security in any of its rights, title, interest or benefits in the Charged Assets (save as otherwise permitted or contemplated pursuant to this Deed);

- (j) except as otherwise permitted by Clause 4.2 (*Disposal*) or pursuant to this Deed, neither it nor any of its nominees has sold or otherwise disposed of the Charged Assets or agreed to do so;
- (k) the Shares owned by the Chargor and subject to the Charges hereunder constitute the entire issued shares of and ownership interest in the Company, and there is no outstanding agreement or commitment on the part of the Company or the Chargor to issue or allot (or procure the issuance or allotment of) any Shares to any person other than the Chargor;
- (l) the Shares have been validly issued by the Company and are fully paid up and there are no monies or liabilities payable or outstanding in relation to the Shares and the Shares are free from any Security (except created under or pursuant to this Deed);
- (m) as at the date of this Deed, the particulars of the shares of the Company held by, to the order of or on behalf of the Chargor as set out in Schedule 2 (*Particulars of the Company and the Shares*) are accurate in all respects;
- (n) it has not received any notice of an adverse claim by any person in respect of the ownership of the Charged Assets or any interest in the Charged Assets;
- (o) the Shares are not issued with any preferred, deferred or other special rights or restrictions whether in regard to dividends, voting, return of any amount paid on account of shares or otherwise which are not expressly set out in the memorandum and articles of association of the Company;
- (p) the Shares are freely transferable on the books of the Company and no consents or approvals are required in order to register a transfer of the Shares;
- (q) no Event of Default is continuing;
- (r) the entry into and performance of this Deed and the transactions contemplated by this Deed do not and will not conflict with or result in a breach of (i) any law, judgment or regulation or any official or judicial order, (ii) the constitutional documents of the Chargor or (iii) any agreement or document to which the Chargor is a party or which is binding upon it or any of its assets or revenues, nor cause any limitation placed on it or the powers of its directors to be exceeded or result in the creation or imposition of any Security on any of its assets or revenues pursuant to the provisions of any such agreement or document;
- (s) no litigation, arbitration or administrative proceeding is currently taking place or pending or, to the knowledge of the Chargor, threatened against the Chargor or the Company or any of their respective assets which would adversely affect the Chargor's ability to perform its obligations under this Deed;
- (t) no meeting has been convened for winding up the Chargor or the Company, nor any such step is intended by the Chargor or the Company and, so far as it is aware, no petition, application or the like is outstanding for winding up the Chargor or the Company;
- (u) subject further to the fulfilment of any Security Perfection Requirements, the obligations of the Chargor hereunder rank at least *pari passu* with all its other present and future unsecured and unsubordinated obligations save for any obligations mandatorily preferred by law and not by contract; and

- (v) the Chargor is generally subject to civil and commercial law and to legal proceedings and neither the Chargor nor any of its assets or revenues is entitled to any immunity or privilege (sovereign or otherwise) from any set off, judgment, execution, attachment or other legal process.

Repetition

The Chargor also represents and warrants to and undertakes with the Chargee that the foregoing representations and warranties will be deemed to be made each day during the period commencing on the date hereof and ending on the date upon which all Secured Obligations have been satisfied in full with reference to the facts and circumstances on each such day.

ENFORCEMENT

When enforceable

The Charges shall be immediately enforceable following the occurrence of an Event of Default which is continuing and the Chargee may, without notice to the Chargor:

- (a) enforce all or any part of any Charges (at the times, in the manner and on the terms it thinks fit) and take possession and hold or dispose of all or any part of the Charged Assets in accordance with such power granted to it pursuant to this Deed; and
- (b) whether or not it has appointed a Receiver, exercise all or any of the powers, authorities and discretions given to a Receiver under this Deed and/or otherwise conferred by law.

Enforcement when no amounts outstanding

Without prejudice to Clause 15.6 (*Appropriations*), if the Chargee enforces the Security constituted by this Deed or receives or recovers any amount pursuant to any Charges or in connection with any Charged Assets at a time when no amounts are due under the Sale and Purchase Agreement but at a time when amounts may or will become so due, the Chargee (or any Receiver or any Delegate) may elect to pay the proceeds of any receipt or recovery made by it pursuant to such enforcement or the amount so received or recovered into an escrow account (pending application of the same from time to time in accordance with the provisions of the Sale and Purchase Agreement).

No requirement of notice period

Neither the Chargee nor any Receiver is required to give any prior notice of non-payment or default to the Chargor before enforcing any or all of the Charges in accordance with this Deed, and there is no minimum period for which Secured Obligations must remain due and unpaid before the Charges can be enforced.

No liability as mortgagee in possession

Neither the Chargee nor any Receiver shall be liable to account as a mortgagee in possession in respect of all or any part of the Charged Assets or be liable for any loss upon realisation or for any neglect, default or omission in connection with all or any part of the Charged Assets to which a mortgagee in possession might otherwise be liable (save for the gross negligence, wilful misconduct or fraud of the Chargee or the Receiver).

Wide construction of enforcement powers

The enforcement powers of the Chargee and any Receiver under this Deed shall be construed in the widest possible sense and all Parties intend that the Chargee and the Receiver shall have as wide and flexible a range of enforcement powers as may be conferred (or, if not expressly conferred, as is not restricted) by any applicable law and/or the provisions of this Deed.

8.6 *Additional power*

Without prejudice to the generality of the other provisions in this Deed, the Chargee may at any time after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*) put into effect the documents delivered under Clause 4.3 (*Delivery of documents*) and appoint its own nominees as directors and officers of the Company for the purposes of perfecting, protecting or enforcing the Charges.

8.7 *Sale of Charged Assets*

Each of the Chargee and any Receiver shall be entitled to exercise such power of sale in such manner and at such time or times and for such consideration (whether payable immediately or by instalments) as it shall in its absolute discretion think fit (whether by private sale or otherwise) and so that the Charged Asset (or any relevant part thereof) may be sold (i) subject to any conditions which the Chargee or that Receiver may think fit to impose, (ii) to any person (including, without limitation, any person connected with the Chargor or the Chargee) and (iii) at any price which the Chargee or that Receiver in its absolute discretion, considers to be the best obtainable in the circumstances taking into account the nature of the Company as a private company.

8.8 *Exercise of rights without limitations*

Each of the Chargee and any Receiver shall be entitled to exercise its rights, powers, discretions and remedies under this Deed despite any rule of law or equity to the contrary and in particular without the limitation contained in paragraph 11 of the fourth schedule to the CPO or any statutory provision which are analogous to that section under the law of any other relevant jurisdiction.

APPOINTMENT AND RIGHTS OF RECEIVERS

Appointment of Receivers

At any time after the Security hereby created has become enforceable in accordance with Clause 8 (*Enforcement*), the Chargee may, by deed, or otherwise in writing signed by any officer or manager of the Chargee or any person authorised for this purpose by the Chargee, appoint one or more persons to be a Receiver of the Charged Assets and may from time to time fix his or their remunerations. The Chargee may similarly remove any Receiver so appointed and appoint any person as additional or replacement Receiver(s). If the Chargee appoints more than one person as Receiver, the Chargee may give those persons power to act either jointly or severally or jointly and severally.

Powers and rights of Receivers

- (a) Any Receiver appointed pursuant to this Clause 9 (*Appointment and rights of Receivers*) shall have, in relation to the Charged Assets in respect of which he is appointed:

- (i) the rights, powers, discretions, privileges and immunities conferred on mortgagors, mortgagees in possession and/or receivers by any applicable law;
 - (ii) the powers and rights of an absolute owner and power to do or omit to do anything which the Chargor himself could do or omit to do (including without limitation the right, in relation to the Company whose shares, ownership interests or other securities are charged pursuant to this Deed, to concur or participate in any of the matters specified in Clause 5.3(d), in each case in such manner and on such terms as such Receiver may think fit and the proceeds of any such action shall form part of the Charged Assets);
 - (iii) the powers and rights conferred on the Chargee under this Deed; and
 - (iv) the powers and rights set out in Schedule 1 (*Rights of Receivers*),
- (b) Each Receiver shall in the exercise of such Receiver's rights, powers, discretions, privileges and immunities conform to the directions and regulations from time to time given or made by the Chargee.

Agent of Chargor

Any Receiver shall be the agent of the Chargor for all purposes. The Chargor shall be solely responsible for each Receiver's contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by that Receiver.

Remuneration

The Chargee may determine the remuneration of any Receiver and any maximum rate specified in any applicable legislation shall (to the extent capable of being excluded) not apply. The Chargee may direct payment of that remuneration out of moneys such Receiver receives in its capacity as such. The Chargor shall be solely liable for the remuneration and all other costs, losses, liabilities and expenses of any Receiver.

No liability for exercise of powers

Neither the Chargee nor any Receiver shall be liable for any losses, involuntary or otherwise, which arise in the exercise by the Chargee or such Receiver of its powers under this Deed unless caused by its breach of the terms of this Deed, fraud, wilful default or gross negligence.

CHARGEES RIGHTS

Delegation

Each of the Chargee and any Receiver may delegate in any manner to any person any rights exercisable by it under this Deed. Any such delegation may be made upon such terms and conditions (including power to sub-delegate) as the Chargee or, as the case may be, such Receiver reasonably thinks fit.

Terms of disposition

In making any sale or other disposal of all or any part of the Charged Assets or any acquisition in the exercise of their respective powers (including without limitation a disposal by any Receiver or Delegate or the Chargee to any company formed pursuant to paragraph (c) (*Hive*

down) of Schedule 1 (*Rights of Receivers*)), any Receiver or Delegate or the Chargee may accept or dispose of as, and by way of consideration for, such sale or other disposal or acquisition, cash, shares, loan capital or other obligations, including without limitation consideration fluctuating according to or dependent upon profit or turnover and consideration the amount whereof is to be determined by a third party. Any such consideration may, if reasonably thought appropriate by such Receiver or Delegate or the Chargee, be nil or may be payable or receivable in a lump sum or by instalments. Any contract for any such sale, disposal or acquisition by any Receiver or Delegate or the Chargee may contain conditions excluding or restricting the personal liability of such Receiver or Delegate or the Chargee.

APPLICATION OF PROCEEDS

All monies or other property hereby charged and/or assigned to or otherwise received by the Chargee or the Receiver in respect of the Charged Assets may be applied by the Chargee in or towards satisfaction of the Secured Obligations in such order of priority as the Chargee in its absolute discretion may determine (subject to the prior discharge of all liabilities having priority thereto by law) and subject to any such determination in the following order of priority:

- (a) firstly, in payment or satisfaction of all costs, charges, expenses and liabilities incurred and payments made by or on behalf of the Chargee and the Receiver in connection with the exercise of any powers hereunder and in preserving or attempting to preserve this Security or the Charged Assets and of all outgoings paid by the Chargee or the Receiver;
- (b) secondly, in payment to the Receiver of all reasonable remuneration as may be agreed between it and the Chargee;
- (c) thirdly, in or towards reduction of the Secured Obligations in such manner as the Chargee shall determine in its absolute discretion; and
- (d) lastly, the surplus (if any) shall be promptly paid to the Chargor.

LIABILITY OF CHARGE, RECEIVER AND DELEGATES

- 12.1 Neither the Chargee, any Receiver nor any Delegate shall (either by reason of taking possession of the Charged Assets or for any other reason) be liable to the Chargor or any other person for any costs, losses, liabilities or expenses relating to the realisation of any Charged Assets or from any act, default, omission or misconduct (other than gross negligence, wilful default or fraud) of the Chargee, any Receiver, any Delegate or their respective officers, employees or agents in relation to any or all of the Charged Assets or in connection with this Deed and/or the Sale and Purchase Agreement.
- 12.2 Nothing in this Deed shall be construed as placing on the Chargee any liability whatsoever in respect of any calls, instalments or other payments relating to any of the Charged Assets or any rights, shares or other securities accruing, offered or arising in respect of any of the Charged Assets or such calls, instalments or payments, and the Chargor shall indemnify the Chargee within five (5) Business Days of demand in respect of all calls, instalments or other payments relating to any of the Charged Assets and/or to any rights, shares and other securities accruing, offered or arising in respect of the Charged Assets or such calls, instalments or payments in respect of any of such Charged Assets.

POWER OF ATTORNEY

Appointment

The Chargor by way of security irrevocably (within the meaning of section 4 of the Powers of Attorney Ordinance (Cap. 31 of the Laws of Hong Kong) appoints the Chargee, every Receiver and every Delegate severally as its attorney (with full power of substitution), on its behalf and in its name or otherwise, at such time after the Security hereby created has become enforceable in accordance with Clause 8 (*Enforcement*) and in such manner as the attorney thinks fit:

- (a) to do anything which the Chargor is obliged to do (but has not done) under this Deed (including to execute charges over, transfers, conveyances, assignments and assurances of, and other deeds, instruments, notices, orders and directions relating to, the Charged Assets or any part thereof); and
- (b) to exercise any of the rights conferred on the Chargee, any Receiver or any Delegate in relation to the Charged Assets (or any part thereof) or under this Deed and/or applicable laws and regulations (including without limitation, any right of a legal or beneficial owner of the Charged Assets).

Ratification

The Chargor ratifies and confirms and agrees to ratify and confirm whatever any such attorney shall do in the exercise or purported exercise of the power of attorney granted by it in Clause 13.1 (*Appointment*), save for any such exercise by gross negligence, wilful misconduct or fraud.

13.3 *Termination*

This power of attorney created pursuant to this Clause 13 shall be terminated when the Secured Obligations have been fully repaid and discharged.

PROTECTION OF THIRD PARTIES

No duty to enquire

No person dealing with the Chargee, any Receiver or any Delegate shall be concerned to enquire:

- (a) whether the power or rights conferred by or pursuant to this Deed are exercisable;
- (b) whether any consents, regulations, restrictions or directions relating to such powers or rights have been obtained or complied with;
- (c) otherwise as to the propriety or regularity of acts purporting or intended to be in exercise of any such powers or rights; or
- (d) as to the application of any money borrowed or raised or of any proceeds of any disposition or realisation.

Protection to purchasers

- (a) The receipt of the Chargee or any Receiver or Delegate shall be conclusive discharge to a purchaser of the Charged Assets (or any part thereof) from the Chargee or such Receiver or Delegate.
- (b) No purchaser or other person dealing with the Chargee, any Receiver or any Delegate shall be bound to inquire whether the right of the Chargee, such Receiver or such Delegate to exercise any of its powers has arisen or become exercisable or be concerned with any propriety or regularity on the part of the Chargee, such Receiver or such Delegate in such dealings.

SAVING PROVISIONS

Continuing security

Subject to Clause 16 (*Discharge of Security*), the Charges are continuing security and will extend to the ultimate balance of the Secured Obligations, regardless of any intermediate payment or discharge in whole or in part.

Reinstatement

If any payment by or recovery from the Chargor or any discharge or release given by the Chargee (whether in respect of the obligations of the Chargor or any security for those obligations) under or in connection with this Deed and/or the Sale and Purchase Agreement is avoided or reduced for any reason including, without limitation, as a result of insolvency, breach of fiduciary or statutory duties or any similar event:

- (a) the liabilities of the Chargor hereunder and the Charges shall continue as if such payment, recovery, discharge or release had not occurred; and
- (b) the Chargee shall be entitled to recover the value or amount of that payment or recovery from the Chargor and any and all Charges hereunder, as if such payment, recovery, discharge or release had not occurred.

Cumulative rights

The security created by or pursuant to this Deed, and the rights, powers and remedies of the Chargee provided by or pursuant to this Deed, shall be cumulative, in addition to and independent of every other security which the Chargee may at any time hold for the Secured Obligations or any other obligations or any rights, powers and remedies provided by law. No prior security held by the Chargee over the whole or any part of the Charged Assets shall merge into the Security constituted by this Deed.

Waiver of defences

Neither the obligations of the Chargor under this Deed nor the Charges will be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release, affect or prejudice any of the Chargor's obligations under this Deed or any of the Charges (without limitation and whether or not known to it or the Chargee) including:

- (a) any time, waiver or consent granted to, or composition with the Chargor, the Purchaser or any other person;

- (b) the release of the Chargor, the Purchaser or any other person under the terms of any composition or arrangement with any creditor of the Chargor, the Purchaser or other person;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce any rights against, or security over assets of, the Chargor the Purchaser or any other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise any security;
- (d) any incapacity or lack of power, authority or legal personality of the Chargor, the Purchaser or any person or dissolution or change in the members or status or constitution of the Chargor or any other person;
- (e) any amendment (however fundamental) or replacement of the Sale and Purchase Agreement, any Security Document or any other document or security;
- (f) any variation of the terms of the trust upon which the Chargee holds the Security constituted by this Deed;
- (g) any unenforceability, illegality or invalidity of any obligation of any person under the Sale and Purchase Agreement, any Security Document or any other document or security;
- (h) any insolvency or similar proceedings;
- (i) this Deed, the Sale and Purchase Agreement or any Security Document not being validly executed by or binding against any party; or
- (j) any other Security, guarantee or indemnity now or thereafter, held by the Chargee or any other person in respect of the Secured Obligations or any other liabilities.

Immediate recourse

The Chargor waives any right it may have of first requiring the Chargee (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 Chargor under this Deed. This waiver applies irrespective of any law or any provision of the Sale and Purchase Agreement to the contrary.

Appropriations

Until all the Secured Obligations have been unconditionally and irrevocably paid in full and no further Secured Obligations may become outstanding, the Chargee (or any trustee or agent on its behalf) may, whether any of the Secured Obligations is overdue:

- (a) refrain from applying or enforcing any other moneys, security or rights held, received or recovered by it (or any trustee or agent on its behalf), or apply and enforce the same in such manner and order as it sees fit (save as otherwise expressly provided in this Deed) and the Chargor shall not be entitled to the benefit of the same; and/or
- (b) hold in a suspense account any moneys received or recovered from the Chargor or on account of any Charged Asset or the Chargor's liability under this Deed (pending application of the same from time to time in accordance with the provisions of this Deed).

Deferral of Chargor's rights

Until the Secured Obligations have been unconditionally and irrevocably paid or discharged in full, the Chargor shall not:

- (a) exercise any rights which it may have by reason of the performance by it of its obligations under this Deed:
 - (i) to be indemnified by any person;
 - (ii) to claim any contribution from the Purchaser or any other guarantor of the Purchaser's obligations under the Sale and Purchase Agreement; and/or
 - (iii) to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Chargee under the Sale and Purchase Agreement or of any guarantee or other security taken pursuant to, or in connection with, the Sale and Purchase Agreement by the Chargee; or
- (b) accept or permit to subsist any Security from the Purchaser or any other person in respect of any rights the Chargor may have arising out of this Deed. Notwithstanding the foregoing, if any such Security shall be accepted or subsisting, the Chargor acknowledges that its rights under such Security shall be held on trust for the Chargee.

Additional Security

The Charges are in addition to and are not in any way prejudiced by any other guarantees or Security now or subsequently held by the Chargee in connection with the Secured Obligations.

Subsequent Security

If the Chargee (or any trustee or agent on its behalf) at any time receives or is deemed to have received notice of any subsequent security affecting all or any part of the Charged Assets or any assignment, transfer or disposition of all or any part of the Charged Assets which is prohibited by the terms of this Deed, all payments thereafter by or on behalf of the Chargor to the Chargee (or any trustee or agent on its behalf) shall be treated as having been credited to a new account of the Chargor and not as having been applied in reduction of the Secured Obligations as at the time when the Chargee (or any trustee or agent on its behalf) received such notice.

DISCHARGE OF SECURITY

Final redemption

- (a) Subject to Clauses 15.2 (*Reinstatement*) and 16.2 (*Retention of security*), on or after the Release Date, the Chargee shall promptly at the request (but in any event, within five (5) Business Days of such request) and cost of the Chargor release, reassign or discharge (as appropriate) the Charged Assets from the Charges (except to the extent already disposed of or enforced against in accordance with this Deed) and, as soon as reasonably practicable, perform such other actions as may be reasonably requested by the Chargor to effect such release, reassignment and/or discharge, in each case without recourse to, or any representation or warranty by, the Chargee or its nominee and the Chargee shall return to the Chargor all documents delivered to the Chargee pursuant to Clause 4.3 (*Delivery of documents*).

- (b) For those Charged Assets which have been transferred and registered under the name of the Chargee or its nominee, the Chargee shall only be obliged to return the share certificate(s) then representing the Charged Assets not yet disposed of or realised by the Chargee pursuant to its powers under this Deed (but not the original share certificates originally delivered to the Chargee by the Chargor) with the instruments of transfer duly executed in favour of the Chargor or such other person as the Chargor may direct. The Chargee shall also, at the Chargor's cost, execute and deliver to the Chargor such other documents and provide such other assistance as the Chargor may reasonably request for the purpose of transferring the title to and interest in such Charged Assets back to the Chargor.

Retention of security

If the Chargee considers that any amount paid or credited to or recovered by it under this Deed and/or the Sale and Purchase Agreement is capable of being avoided or otherwise set aside on the bankruptcy of the Chargor, the Purchaser or any other person, or otherwise, that amount shall not be considered to have been paid for the purposes of determining whether all the Secured Obligations have been unconditionally and irrevocably paid.

Consolidation

Any restrictions on the consolidation of Security shall be excluded to the fullest extent permitted by law and the Chargee shall, so far as it is lawful and subject to other provisions of this Deed, be entitled to consolidate all or any of the Charges with any other Security whether in existence on the date of this Deed or in the future.

COSTS, CHARGES AND EXPENSES

The Chargor shall within three (3) Business Days of demand pay to or reimburse the Chargee and the Receiver for:

- (e) all costs, charges and expenses (including legal and other fees on a full indemnity basis) incurred by the Chargee or the Receiver in exercising any of its or their rights or powers hereunder or in suing for or seeking to recover any sums due hereunder or otherwise preserving or enforcing its or their rights hereunder or in connection with the preservation or attempted preservation of the Charged Assets or in defending any claims brought against it or them in respect of this Deed or the Chargor's interest in the Charged Assets or in releasing or reassigning this Deed upon payment of all monies hereby secured; and
- (f) for all remuneration payable to the Receiver,

and until payment of the same in full, all such costs, charges, expenses and remuneration shall be secured by this Deed.

PAYMENTS

All payments by the Chargor or any other person under this Deed shall be made to such account, with such financial institution and in such other manner as the Chargee may reasonably direct, and shall be made in full in immediately available funds without any set-off or counterclaim or any restriction or condition whatsoever and free and clear of any Taxes, deductions or withholdings save as required by law.

TAX GROSS UP

If at any time the Chargor or any other person is required to make any deduction or withholding in respect of Taxes or otherwise from any payment due under this Deed for the account of the Chargee, the sum due from the Chargor in respect of such payment shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the Chargee receives on the due date for such payment (and retain, free from and clear of any Taxes or otherwise) a net sum equal to the sum which they would have received had no such deduction or withholding been required to be made and the Chargor shall indemnify the Chargee against any losses or costs incurred by it by reason of any failure of the Chargor to make any such deduction or withholding or by reason of any increased payment not being made on the due date for such payment. The Chargor shall promptly deliver to the Chargee any receipts, certificates or other proof evidencing the amounts (if any) paid or payable in respect of any deduction or withholding as aforesaid.

SEPARATE AND INDEPENDENT OBLIGATIONS

The Security constituted by this Deed is separate from and independent of the Security created by any other person in connection with the Sale and Purchase Agreement.

CONDUCT OF BUSINESS BY THE CHARGEЕ

No provision of this Deed will:

- (a) interfere with the right of the Chargee to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (b) oblige the Chargee to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (c) oblige the Chargee to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Taxes.

OTHER INDEMNITIES

General indemnity

The Chargor shall indemnify and keep indemnified the Chargee and the Receiver from and against all losses, liabilities, damages, costs (including, but not limited to, legal costs), charges and expenses which the Chargee shall incur in connection with the exercise of any powers conferred by this Deed or the perfection, preservation or enforcement of the Security constituted by this Deed and against all actions, proceedings, claims, demands, costs (including, but not limited to, legal costs), charges and expenses which may be incurred, sustained or arise in respect of the non-performance or non-observance of any of the undertakings and agreements on the part of the Chargor herein contained or in respect of any matter or thing done or omitted relating in any way whatsoever to the Charged Assets (except for such matter or thing done or omitted due to the gross negligence, wilful misconduct or fraud of the Chargee, any Receiver or any Delegate).

Currency indemnity

If an amount due to the Chargee or the Receiver from the Chargor in one currency (the "**first currency**") is received by the Chargee or the Receiver in another currency (the "**second currency**"), the Chargor's obligations to the Chargee or the Receiver in respect of such amount shall only be discharged to the extent that the Chargee or the Receiver may purchase the first currency with the second currency in accordance with normal banking practice. If the amount of the first currency which may be so purchased (after deducting any costs of exchange and any other related costs) is less than the amount so due, the Chargor shall indemnify the Chargee or the Receiver against the shortfall. This indemnity shall be an obligation of the Chargor independent of and in addition to its other obligations under this Deed.

Indemnities separate

Each indemnity in this Deed shall:

- (a) constitute a separate and independent obligation from the other obligations in the Sale and Purchase Agreement or any Security Document;
- (b) give rise to a separate and independent cause of action;
- (c) apply irrespective of any indulgence granted by the Chargee;
- (d) continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of the Secured Obligations or any other judgment or order; and
- (e) apply whether or not any claim under it relates to any matter disclosed by the Chargor or otherwise known to the Chargee.

SET-OFF

- (a) Without prejudice to any right of set-off, combination of accounts, lien or other rights which the Chargee is at any time entitled whether by operation of law or contract or otherwise, the Chargee may (but shall not be obliged to) set off against any obligation of the Chargor which is due and payable by it hereunder without prior notice any moneys held by the Chargee for the account of the Chargor at any office of the Chargee anywhere and in any currency. The Chargee may effect such currency exchanges as are appropriate to implement such set-off.
- (b) If the obligations are in different currencies, the Chargee may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.

ASSIGNMENTS AND TRANSFERS

No Assignments or Transfers by the Chargor

The Chargor shall not assign or transfer any or all of its rights and/or obligations under this Deed except with the prior written consent of the Chargee.

Assignment and Transfer by Chargee to Successor

The Chargee may assign and/or transfer all or any of its rights and/or obligations under this Deed to any person, and make disclosures at its own discretion or as it deems necessary.

REMEDIES, WAIVERS, CERTIFICATE, SEVERABILITY AND COUNTERPARTS

25.1 *Waivers*

Time shall be of the essence under this Deed but no failure or delay on the part of the Chargee to exercise any power, right or remedy under this Deed shall operate as a waiver thereof, nor shall any single or partial exercise by the Chargee of any power, right or remedy preclude any other or further exercise thereof or the exercise of any other power, right or remedy.

25.2 *Remedies*

The remedies provided in this Deed are cumulative and are not exclusive of any remedies provided by law.

25.3 *Severability*

If any provision of this Deed is prohibited or unenforceable in any jurisdiction, such prohibition or unenforceability shall not invalidate the remaining provisions hereof or affect the validity or enforceability of such provision in any other jurisdiction.

25.4 *Counterparts*

This Deed may be executed in any number of counterparts, all of which taken together shall constitute one and the same instrument, and any Party may execute this Deed by signing any such counterpart.

25.5 *Execution as a deed*

It is intended that this document takes effect as a deed notwithstanding the fact that a Party may only execute this document under hand.

NOTICES

26.1 *Notices*

Any notice or communication to be made under or in connection with this Deed shall be made in writing and, unless otherwise stated, may be made by (a) fax (if a fax number has been identified with such Party's name below or (b) letter.

26.2 *Delivery*

- (g) Any communication or document made or delivered by one person to another under or in connection with this Deed will be effective:
 - (i) if by way of fax, only when received in legible form; or
 - (ii) if by way of letter, only when it has been left at the relevant address or five (5) Business Days after being deposited in the post postage prepaid in an envelope addressed to it at that address;

and, if a particular department or officer is specified as part of its address details provided under Clause 26.3 (*Addresses*), if addressed to that department or officer.

- (h) Any communication or document to be made or delivered to the Chargee will be effective only when actually received by the Chargee and then only if it is expressly marked for the attention of the department or officer identified in Clause 26.3 (*Addresses*) (or any substitute department or officer as the Chargee shall specify for this purpose).
- (i) Any communication or document which becomes effective, in accordance with paragraphs (a) to (b) above, after 5:00 p.m. in the place of receipt shall be deemed only to become effective on the following day.

26.3 *Addresses*

Notices or communications shall be sent to the following addresses:-

To the Chargor:

Address: Suite 8115, 8/F, MassMutual Tower, 33 Lockhart Road, Wanchai, Hong Kong
Fax: 2892 0361
Attention: Choi Chung Yin

To the Chargee:

Address: Suite 1105, 11th Floor, Tower 6, The Gateway, 9 Canton Road, Tsim Sha Tsui, Kowloon, Hong Kong
Fax: 2802 2697
Attention: Shum Sai Chit

26.3 *Languages*

Each notice or document referred to in this Deed or to be delivered under this Deed shall be in the English language.

GOVERNING LAW AND JURISDICTION

27.1 *Governing Law*

This Deed is governed by and shall be construed in accordance with the laws of Hong Kong.

27.2 *Submission to Jurisdiction*

For the benefit of the Chargee, the Chargor irrevocably agrees that the courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this Deed and that, accordingly, any legal action or proceedings arising out of or in connection with this Deed ("**Proceedings**") may be brought in those courts and the Chargor irrevocably submits to the exclusive jurisdiction of those courts.

27.3 *Other jurisdictions*

Nothing in this Clause 27 (*Governing Law and Jurisdiction*) shall limit the right of the Chargee to take proceedings against the Chargor in any other court of competent jurisdiction nor shall the

taking of Proceedings in one or more jurisdictions preclude the Chargee from taking Proceedings in any other jurisdiction, whether concurrently or not.

27.4 *Waiver of inconvenient forum*

The Chargor irrevocably waives any objection which it may at any time have to the laying of the venue of any Proceedings in any court referred to in this Clause 27 (*Governing Law and Jurisdiction*) and any claim that any such Proceedings have been brought in an inconvenient forum.

27.5 *Service of Process*

Without prejudice to any other mode of service allowed under any relevant law, the Chargor:

- (a) irrevocably appoints Choi Chung Yin at its registered address (which, as at the date of this Deed, is Suite 8115, 8/F, Massmutual Tower, 33 Lockhart Road, Wanchai, Hong Kong) as its agent for service of process in relation to any proceedings before the Hong Kong courts in connection with this Deed; and
- (b) agrees that failure by a process agent to notify the Chargor of the process will not invalidate the proceedings concerned.

27.6 *Waiver of Immunities*

To the extent that the Chargor has or hereafter may acquire any immunity (sovereign or otherwise) from any legal action, suit or proceeding, from jurisdiction of any court or from set-off or any legal process (whether service or notice, attachment prior to judgment, attachment in aid of execution of judgment, execution of judgment or otherwise) with respect to itself or any of its property, the Chargor hereby irrevocably waives and agrees not to plead or claim such immunity in respect of its obligations under this Deed.

IN WITNESS whereof this Deed has been executed by the parties hereto and is intended to be and is hereby delivered by the Chargor as a deed on the day and year first above written

RIGHTS OF RECEIVERS

Any Receiver appointed pursuant to Clause 9 (*Appointment and Rights of Receivers*) shall, after this Deed has become enforceable in accordance with Clause 8.1 (*When enforceable*), have the right, either in his own name or in the name of the Chargor (notwithstanding any bankruptcy of such Chargor) or otherwise and in such manner and upon such terms and conditions as the Receiver thinks fit, and either alone or jointly with any other person:

(ee) Take possession

to take possession of the Charged Assets, and to require payment to it of all Dividends including without limitation, to complete any instruments of transfer and to procure the transfer of the Charged Assets into the name of the Chargee or its nominee and, if necessary, take possession of and collect the share certificates and/or other documents of title relating to the Charged Assets, in each case, at the cost and risk of the Chargor;

(ff) Deal with Charged Assets

to sell, transfer, assign, exchange or otherwise dispose of or realise the Charged Assets to any person (including a new company formed pursuant to paragraph (c) (*Hive down*)) either by public offer or auction, tender or private contract and for a consideration of any kind (which may be payable or delivered in one amount or by instalments spread over a period or deferred);

(gg) Hive down

to form a new company and to subscribe for or acquire (for cash or otherwise) any investment in or of the new company and to sell, transfer, assign, exchange and otherwise dispose of or realise any such investments or part thereof or any rights attaching thereto;

(hh) Borrow money

to borrow or raise money either unsecured or on the security of the Charged Assets (either in priority to the Charges or otherwise);

(ii) Rights of ownership

to exercise and do (or permit the Chargor or any nominee of it to exercise and do) all such rights and things as the Receiver would be capable of exercising or doing if it were the absolute legal or beneficial owner of the Charged Assets (including without limitation the exercise of any or all of the voting rights in respect of the Charged Assets and the right to receive Dividends);

(jj) Covenants and guarantees

to enter into bonds, covenants, guarantees, indemnities and other commitments and to make all payments needed to effect, maintain or satisfy them and to use the company seal of the Company;

(kk) Claims

to settle, adjust, refer to arbitration, compromise and arrange any claims, accounts, disputes, questions and demands with or by any person relating to the Charged Assets;

(ll) **Legal actions**

to bring, prosecute, enforce, defend and abandon actions, suits and proceedings in relation to the Charged Assets and in addition to take or defend proceedings for the compulsory winding-up of the Chargor and proceedings for directions under Section 255 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32 of the Laws of Hong Kong);

(mm) **Redemption of Security**

to redeem any Security (whether or not having priority to the Charges) over the Charged Assets and to settle the accounts of any person with an interest in the Charged Assets;

(nn) **Spend money**

in the exercise of any of the above powers, to spend such sums as he may properly think fit and the Chargor shall forthwith on demand repay to the Chargee or the Receiver (as the case may be) all sums so spent together with interest on those sums at such rates as the Chargee may from time to time properly determine from the time they are paid or incurred and until repayment those sums (together with such interest) shall be secured by the Charges;

(oo) **Acquisitions**

to purchase, lease, hire or otherwise acquire any assets or rights of any description which he shall in his absolute discretion consider necessary for the improvement or realisation of the whole or any part of the Charged Assets or otherwise for the benefit of the whole or any part of the Charged Assets;

(pp) **Receipts**

to give valid receipts for all moneys and execute all assurances and things which may be proper or desirable for realising any Charged Asset;

(qq) **Delegation**

to delegate his powers in accordance with Clause 10.1 (*Delegation*);

(rr) **Appointment and Removal of Directors**

to complete, date and put into effect any stock transfer form, share transfer certificate or any other form of instrument of transfer delivered in relation to the Charged Assets or any part thereof pursuant to Clause 4 (*Restrictions and Further Assurance*), any letter of resignation, any undated resolution(s) of the board of directors or sole director of the Company (as the case may be) and/or any other document(s) delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) and to exercise all powers of appointment and/or removal of the directors of the Company attaching to the Charged Assets or any part thereof; and

(ss) **Other powers**

to do anything else he may think fit for the realisation of the Charged Assets or incidental to the exercise of any of the rights conferred on the Chargee or any Receiver under or by virtue of this Deed and/or applicable statutory provisions and common law.

PARTICULARS OF THE COMPANY AND THE SHARES

NAME OF COMPANY	DESCRIPTION AND NUMBER OF ISSUED SHARE(S)	REGISTERED SHAREHOLDER AND NUMBER OF ISSUED SHARE(S) HELD
<p>[●]</p> <p>Place of Incorporation: <u>British Virgin Islands</u></p> <p>Company Number: [●]</p> <p>Registered office: [●]</p>	<p>[●] [ordinary share]</p>	<p>[●]</p> <p>Place of Incorporation: [●]</p> <p>Company Number: [●]</p> <p>Registered office: [●]</p>

FORM OF LETTER OF RESIGNATION

To: [The Board of Directors]
[●]
(the "**Company**")

Date: [to be left blank]

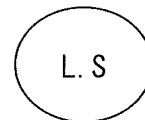
Dear Sirs,

Resignation

I hereby tender my unconditional and irrevocable resignation as a director of the Company with effect from the date of this letter. I confirm that:

1. I have no claims whatsoever against the Company on any account (whether for loss of office, for accrued remuneration or for fees or otherwise howsoever); and
2. there is no outstanding agreement or arrangement with the Company under which the Company has or would have any obligation to me whether now or in the future or under which I would derive any benefit.

SIGNED, SEALED and DELIVERED)
as a **DEED** by)
[name of director])
in the presence of)



Witness:

FORM OF LETTER OF UNDERTAKING AND AUTHORISATION

To: Group Sense (International) Limited as Chargee (as defined in the Share Charge referred to below, which expression shall include its and any subsequent successors, assigns and transferees)

Dear Sirs,

Share Charge dated [] between [●] as chargor and Group Sense (International) Limited as chargee (the "Share Charge") in respect of the entire issued shares in [●](the "Company")

I hereby unconditionally and irrevocably:

1. undertake to procure, to the extent of my powers as a director of the Company, that any or all of the shares in the Company which are charged to the Chargee pursuant to the Share Charge shall upon your request (given at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms) be promptly registered in the name of the Chargee or (at the request of the Chargee) any person(s) whom the Chargee may nominate (and hereby permits the Chargee or its nominee(s) to register the transfer of shares in the name of the Chargee or any person(s) whom the Chargee may nominate in such circumstances, if it/they have custody of the original Register of Members); and
2. authorise each of the Chargee and any other person(s) authorised by the Chargee severally to complete, date and put into effect:
 - (a) any letter of resignation signed by me and delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) of the Share Charge;
 - (b) any written resolutions of the board of directors of the Company signed by me delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) of the Share Charge; and
 - (c) any other document signed by me and delivered pursuant to Clause 4 (*Restrictions and Further Assurance*) of the Share Charge,

at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms.

Dated:

SIGNED, SEALED and DELIVERED)
as a **DEED** by)
[*name of relevant director*])
in the presence of)
Witness:

L. S

FORM OF WRITTEN RESOLUTIONS

[•]
(incorporated in [•])
(the "Company")

**WRITTEN RESOLUTIONS OF
THE BOARD OF DIRECTORS OF THE COMPANY**

IT IS RESOLVED THAT:

1. each of the following transfer(s) of the share(s) in the Company be approved and that, upon the delivery to any director of the Company of a duly completed instrument of transfer in respect of any of the following transfer(s), the name of the relevant transferee(s) be entered forthwith in the Register of Members of the Company in respect of the relevant share(s) so transferred and the registered agent of the Company be hereby authorised and instructed to update the register of members accordingly and provide a copy of the updated Register of Members to the transferee(s) and that new share certificate(s) in respect of such share(s) be issued forthwith to such transferee(s) in accordance with the Memorandum and Articles of Association of the Company:

Transferor(s)

Transferee(s)

No. of Share(s)

[to be left blank]

2. each of the following person(s) be appointed as additional director(s) of the Company with immediate effect:

[to be left blank]

3. the resignation of the following person(s) as director(s) of the Company be accepted with immediate effect:

[to be left blank]

4. the register of directors of the Company be updated to record the above changes in directors and the registered agent be hereby authorised and instructed to update the register of directors accordingly and make necessary filings with the Registrar of Companies to reflect the change of directors.

Dated: [to be left blank]

[all the director(s) of the Company to state their names and sign]

[Name of Director]

[Name of Director]

FORM OF INSTRUMENT OF TRANSFER

[●]
(the "Company")

INSTRUMENT OF TRANSFER

INSTRUMENT OF TRANSFER dated _____ *[leave undated]*
[Name of Chargor] (the "**Transferor**") does hereby transfer to
_____ of
_____ (the "**Transferee**")
_____ (the "**Shares**") of a par value of _____ each in the
Company.

SIGNED for and on behalf of the
TRANSFEROR:

) _____
) Duly Authorised Signatory
)
) Name: _____
)
) Title: _____
)

And I/we do hereby agree to take the Shares.

SIGNED for and on behalf of **TRANSFEE:**

) _____
) Duly Authorised Signatory
)
) Name: _____
)
) Title: _____
)

Address of Transferee:

FORM OF IRREVOCABLE POWER OF ATTORNEY AND PROXY

[●]
(incorporated in the British Virgin Islands)
(the "**Company**")

The undersigned, [●], hereby constitutes and appoints **Group Sense (International) Limited** to be our attorney and proxy (hereinafter called the "**Attorney and Proxy**") to, at any time after the security constituted by the Share Charge (as defined below) shall have become enforceable under clause 8.1 (*When enforceable*) of the Share Charge, appear, vote and otherwise act, all in the name, place and stead of the undersigned in the same way that the undersigned might do and with the same powers, with respect to all of the shares or stock in [●] (hereinafter called the "**Company**"), owned or hereinafter acquired by the undersigned that are subject to the Share Charge, at any and all meetings of the shareholders of the Company, on any and all matters, questions and resolutions that may come before such meetings, including, but not limited to, the election of director(s) or at any adjournment(s) thereof, or to consent on behalf of the undersigned in the absence of a meeting to anything that might have been voted on at such a meeting.

This Power of Attorney and Proxy is coupled with the interest of **Group Sense (International) Limited** as chargee pursuant to a Share Charge dated _____ in respect of the issued shares of the Company (the "**Share Charge**") and is irrevocable. It shall continue in effect after the security constituted by the Share Charge shall have become enforceable in accordance with its terms and so long as the debt for which the charge contained in the said Share Charge granted as a security remains unpaid.

The Attorney and Proxy named herein is hereby given full power of substitution and revocation and may act through such agents, nominees or substitute attorney(s) as it may from time to time appoint.

The power of the Attorney and Proxy shall include (without limiting its general powers hereunder) the power to receive and waive any notice of any meeting on behalf of the undersigned.

And the undersigned agrees to ratify and confirm all that the said Attorney and Proxy or its substitutes duly appointed shall do in the name, place and stead of the undersigned pursuant hereto, save for the gross negligence, wilful misconduct or fraud of the said Attorney and Proxy or its substitutes, agents, nominees or substitute attorneys.

IN WITNESS whereof this instrument has been duly executed as a deed this _____ day of _____.

EXECUTED)
as a **DEED** by)
[●])
in the presence of)

Signature of Witness

Name: _____
Address: _____

FORM OF DEED OF UNDERTAKING AND CONFIRMATION FROM THE COMPANY TO THE CHARGE

[●]
(incorporated in [●])
(the "Company")

Date:

To: Group Sense (International) Limited (the "Chargee")

Dear Sirs

[●] (THE "COMPANY")

(3)

We refer to the share charge in respect of Shares of the Company dated [Date] between [●] (the "Chargor") and the Chargee whereby, *inter alia*, the Chargor granted a charge over the Shares in favour of the Chargee (the "Share Charge").

Capitalised words and expressions used in this deed poll which are not expressly defined herein have the meanings ascribed to them in the Share Charge.

This deed of undertaking and confirmation is given pursuant to the Share Charge.

For valuable consideration receipt of which is hereby acknowledged, the Company hereby irrevocably and unconditionally undertakes to, at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms, register (and hereby permits the Chargee or its nominee(s), if it has custody of the original Register of Members to register) in the Register of Members any and all share transfers to the Chargee or its nominee in respect of the Shares submitted to the Company by the Chargee.

The Company hereby confirms that it has instructed its registered agent to make an annotation of the existence of the Share Charge and the security interests created thereby in the Register of Members pursuant to the Share Charge.

THIS DEED POLL has been executed and delivered as a Deed Poll on the day and year first above written.

EXECUTED AS A DEED for and on behalf of

[●]

by:

)
)
)
)
)
)
)
)
)
)

Duly Authorised Signatory

Name:

Title:

in the presence of:

Signature of Witness

Name:

Share Charge (over shares in [●])

Address: _____

FORM OF LETTER OF INSTRUCTIONS FROM THE COMPANY TO ITS REGISTERED AGENT

[●]

Date:

To: [●]

cc: Group Sense (International) Limited

Dear Sirs

[●] (THE "COMPANY") – INSTRUCTIONS TO REGISTERED AGENT

1. We irrevocably instruct that as from the date hereof, the following shall be an instructing party for the Company:

Group Sense (International) Limited (the "**New Instructing Party**")

until such time as you are informed otherwise by the New Instructing Party. As from the period starting from the date on which the New Instructing Party (or any successor-in-title) informs you that there has been an Event of Default (as defined in the share charge between [●] and the New Instructing Party dated [●] 2018 in respect of shares in the Company (the "**Share Charge**")) and ending on the date on which the New Instructing Party (or its successor-in-title) informs you that such Event of Default no longer subsists, you will be irrevocably instructed to regard the New Instructing Party (or its successor-in-title) as the sole instructing party for the Company and without limiting the foregoing if at any time the New Instructing Party instructs you to register the New Instructing Party or its nominee (or any successor-in-title) as the registered holder of any of the shares the subject of the Charge (at any time after the security constituted by the Share Charge shall have become enforceable in accordance with its terms) you are hereby authorised and instructed to do so and update the original Register of Members of the Company accordingly without notice to us or consent from us.

2. We irrevocably instruct you to make an annotation of the existence of the Share Charge and the security interests created thereby in the Company's Register of Members pursuant to the Share Charge.

Please confirm that you have received this correspondence and that you have actioned the above and updated your records accordingly.

Yours faithfully,

(4)

Name:

Director

For and on behalf of

[●]

Acknowledged and agreed.

Name:
for and on behalf of
[●]

WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY

[•]
(incorporated [•])
(the "Company")

WRITTEN RESOLUTIONS OF THE SHAREHOLDERS OF THE COMPANY
MADE ON 2018

The undersigned, being the only Shareholder of the Company having the right to receive notice of, attend and vote at general meetings hereby resolves the following shareholder resolutions.

AMENDMENT TO EXISTING MEMORANDUM AND ARTICLES OF ASSOCIATION

IT IS RESOLVED, pursuant to article 7.21 of the Company's articles of association, that:

The following amendments be made to the Company's Memorandum and Articles of Association with effect from the registration of such amendments pursuant to section 13(1) of the BVI Business Companies Act, 2004 (as amended) (the "BC Act"):

1. the following definitions be inserted alphabetically in clause 1.1 of the Company's memorandum of association:

"Encumbrance" means any mortgage, pledge, lien, charge, hypothecation, encumbrance or other security interest, security agreement or other security arrangement of any kind over the Shares in favour of any Secured Party, the existence of which has been notified to the Company and including, but not limited to, the Share Charge.

"Irrevocable Proxy" means any person appointed to represent a Shareholder by an Irrevocable Proxy Instrument.

"Irrevocable Proxy Instrument" means an instrument in or substantially in the form scheduled to an Encumbrance appointing an Irrevocable Proxy.

"Secured Party" means the entity named as mortgagee, chargee or assignee under the Share Charge or other document creating an Encumbrance and its successors and assigns and, where the context so permits, any person who such Secured Party nominates pursuant to any Encumbrance.

"Secured Share" means a Share which is subject to the Share Charge or any other Encumbrance.

"Share Charge" means the share charge in respect of Shares in the Company entered or to be entered into between [Name of Chargor] and the relevant Secured Party.

2. the Company's memorandum of association be amended by inserting a new clause 11.3 as follows:

11.3 Notwithstanding anything contained in this Memorandum or the Articles, the directors shall:

- (a) *promptly register any transfer of Secured Shares following the enforcement of any Encumbrance pursuant to the terms of the relevant Encumbrance;*
 - (b) *not register a transfer of any Secured Shares (other than a transfer of Secured Shares made pursuant to paragraph (a) above) without the prior written consent of the relevant Secured Party; and*
 - (c) *not suspend or unreasonably delay registration of any transfer of Secured Shares made pursuant to paragraph (a) above.*
- 3. the Company's articles of association be amended by inserting a new article 3.8 as follows:
 - *3.8 Notwithstanding anything contained in these Articles, no Secured Share shall be purchased, redeemed or otherwise acquired by the Company while it remains subject to an Encumbrance.*
- 4. the Company's articles of association be amended by inserting a new article 5.6 as follows:
 - 5.6. Notwithstanding anything contained in these Articles, any Secured Share shall be exempt from:*
 - (a) *any present or future lien in favour of the Company that would otherwise have arisen under these Articles and the Company shall not assert any lien against any Secured Share while it remains subject to an Encumbrance;*
 - (b) *any present or future call upon the Shareholders by the Company that would otherwise have arisen under these Articles and the Company shall not make any call in respect of any Secured Share while it remains subject to an Encumbrance; and*
 - (c) *the provisions of these Articles relating to forfeiture.*
- 5. the Company's articles of association be amended by inserting new articles 7.9A, 7.9B and 7.9C as follows:
 - 7.9A. The appointment of any Irrevocable Proxy by a Shareholder shall be irrevocable until both the relevant Shareholder and the Irrevocable Proxy appointed by such Shareholder have provided their written confirmation to the Company that such appointment is terminated.*
 - 7.9B. No Shareholder may appoint more than one Irrevocable Proxy such that there is more than one Irrevocable Proxy of such Shareholder in existence at any one time and any purported later appointment which is inconsistent with an earlier Irrevocable Proxy Instrument shall be ineffective unless both the relevant Shareholder and the Irrevocable Proxy appointed under the earlier Irrevocable Proxy Instrument have provided their written confirmation to the Company that such later*

appointment should be effective and that the earlier appointment should be terminated.

7.9C. *Notwithstanding any provision to the contrary contained in these Articles, following the appointment of an Irrevocable Proxy and service of a copy of the relevant Irrevocable Proxy Instrument on the Company:*

- (a) following the occurrence of an enforcement event under an Encumbrance, in relation to the Secured Shares, only the Irrevocable Proxy may cast the vote of the Shareholder represented by such Irrevocable Proxy at a meeting (whether by way of poll or on a show of hands) and the votes of the Shareholder represented by such Irrevocable Proxy, shall, for the avoidance of doubt, not be counted in any poll or show of hands if cast by the Shareholder or by any proxy other than the Irrevocable Proxy during such period;*
- (b) following the occurrence of an enforcement event under an Encumbrance, no Shareholder who has appointed an Irrevocable Proxy may sign a resolution in writing otherwise than through the Irrevocable Proxy of such Shareholder and only a resolution in writing signed by the Irrevocable Proxy appointed by such Shareholder and the other Shareholder (if any) shall be effective; and*
- (c) following the occurrence of an enforcement event under an Encumbrance, the Company shall, in addition to giving any notice to Shareholders as required by these Articles, give written notice to the Irrevocable Proxy of any meeting of the Shareholders and shall provide to the Irrevocable Proxy copies of any resolution in writing of the Shareholders (in each case such notice or copies to be provided to the Irrevocable Proxy on such terms and within such time limits as are set out in these Articles as if such Irrevocable Proxy were the Shareholder represented by the Irrevocable Proxy).*

6. the Company's articles of association be amended by inserting a new article 18.5 as follows:

18.5. *Notwithstanding anything contained in these Articles, the directors shall not deduct from any dividend or distribution payable to any Secured Party any money (if any) payable by any **Shareholder** to the Company on account of calls or otherwise.*

The Company's registered agent is and is hereby authorised and instructed by copy of these resolutions to file with the Registrar of Corporate Affairs a Notice of Amendment of Memorandum and Articles of Association on Form R201 together with an extract of these resolutions setting out the amendments pursuant to section 13(1) of the BC Act in respect of such amendments.

1. **BY** _____
 1. Name:
 2. for and on behalf of [*Name of Shareholder*]

SIGNATURE PAGE

THE CHARGOR

EXECUTED as a **DEED** by)
)
for and on behalf of)
[•])
in the presence of:-)

THE CHARGEE

SIGNED by)
)
for and on behalf of)
GROUP SENSE (INTERNATIONAL))
LIMITED)
)
in the presence of:-)

SCHEDULE 8

SHAREHOLDER'S LOAN ASSIGNMENT

**THIS DEED OF ASSIGNMENT (the "Deed") is made on the day of
2018**

BY AND BETWEEN:

- (1) **GROUP SENSE (INTERNATIONAL) LIMITED**, a company incorporated in Bermuda with its registered address at Clarendon House, Church Street, Hamilton HM11, Bermuda and shares are listed on The Stock Exchange of Hong Kong Limited (stock code: 601), British Virgin Islands ("**Assignor**");
- (2) **CROYDON CAPITAL ADVISORS LIMITED**, a BVI business company incorporated in the British Virgin Islands whose registered address is at Mandar House, 3rd Floor, P.O. Box 2196, Johnson's Ghut, Tortola, VG1110, British Virgin Islands ("**Assignee**"); and
- (3) **GROUP SENSE (S.E.A.) LIMITED / GROUP SENSE INVESTMENT LIMITED**, a company incorporated in the British Virgin Islands with its registered address at Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands, British Virgin Islands ("**Company**").

WHEREAS:

- (A) The Company is at the date hereof indebted to the Assignor in the aggregate amount of HK\$120,885,000, being non-interest bearing and repayable on demand (the "**Shareholder's Loan**").
- (B) The Assignor assigns its rights, interests, benefits and entitlements in and to the Shareholder's Loan in favour of the Assignee on and subject to the terms and conditions of this Deed.

NOW THIS DEED WITNESSES as follows:

1. The Assignor as beneficial owner of the Shareholder's Loan hereby assigns to the Assignee the Shareholder's Loan due and owing to itself by the Company and the full benefits and advantages thereof and all rights, interests, benefits, entitlements and title therein and to hold the same unto the Assignee absolutely.
2. By execution of this Deed, the Assignor gives and the Company takes notice of and acknowledges the assignment of the Shareholder's Loan effected hereby.
3. The Assignor represents and warrants to the Assignee that:
 - (i) it is the legal and beneficial owner of the Shareholder's Loan;
 - (ii) save and except for the Shareholder's Loan, there is no other amount or liability

due, owing or outstanding from the Company to the Assignor on any account whatsoever; and

- (iii) it has the full power and authority to enter into this Deed and perform the obligations hereunder.
- 4. The Assignee represents and warrants to the Assignor that it has the full power and authority to enter into this Deed and perform the obligations hereunder.
- 5. Each party hereby undertakes with each of the other parties that it will do all such things and execute all such documents as may be necessary, expedient or desirable to carry into effect or to give legal effect to the provisions of this Deed and the transactions hereby contemplated.
- 6. If at any time any provision of this Deed is or becomes illegal, void or unenforceable in any respect, the remaining provisions hereof shall in no way be affected or impaired thereby.
- 7. This Deed may be executed by the parties hereto in any number of counterparts and on separate counterparts, each of which when so executed shall be deemed an original but all of which shall constitute one and the same instrument and is binding on all parties.
- 8. This Deed is governed by and shall be construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"), and the parties hereto submit to the non-exclusive jurisdiction of the courts of Hong Kong in connection herewith.
- 9. The Assignee hereby irrevocably appoints Choi Chung Yin currently of Suite 8115, 8/F, MassMutual Tower, 33 Lockhart Road, Wanchai, Hong Kong as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong. If for any reason the agent named above (or its successor) no longer serves as agent of the Assignee for this purpose, the Assignee shall promptly appoint a successor agent, notify the Assignor thereof and deliver to the Assignor a copy of the new process agent's acceptance of appointment. Provided that until the Assignor receives such notification, it shall be entitled to treat the agent named above (or its said successor) as the agent of the Assignee for the purposes of this Clause 9. The Assignee agrees that any such legal process shall be sufficiently served on it if delivered to such agent for service at its address for the time being in Hong Kong whether or not such agent gives notice thereof to the Assignee.

IN WITNESS whereof the parties hereto have executed and delivered this Deed under seal the day and year first above written.

SEALED with the **COMMON SEAL** of)
GROUP SENSE (INTERNATIONAL))
LIMITED)
and **SIGNED** by)
)

in the presence of :-)

SEALED with the **COMMON SEAL** of)
CROYDON CAPITAL ADVISORS LIMITED)
and **SIGNED** by)
)

in the presence of :-)

SEALED with the **COMMON SEAL** of)
GROUP SENSE (S.E.A.) LIMITED /
GROUP SENSE INVESTMENT LIMITED)
and **SIGNED** by)
)

in the presence of :-)

APPENDIX A

Consolidated Statement of Profit or Loss of Disposal Group
For the year ended 31 December 2017

Strictly Private and Confidential

For discussion purposes only and subject to be reviewed and revised as any changes in internal and external factors that comes to notice to the Company while the Company is not under any obligations to (and expressly disclaim any such obligations to) update or alter this forecast whether as a result of new information, future events, or otherwise.

	HK\$'000
Revenue	329,071
Cost of sales	(261,754)
Gross profit	67,317
Other income and other gains, Net	(1,137)
Selling and distribution expenses	(20,440)
Administrative expenses	(19,193)
Research and development expenses	(16,690)
Other operating expenses, net	(3,840)
Finance costs	(808)
Share of profits and losses of	
Joint Venture	1,087
Associate	1
PROFIT BEFORE TAX	6,297
Income tax expense	(12)
PROFIT FOR THE YEAR	6,285

**Consolidated Statement of Financial Position of Disposal Group
As at 31 December 2017**

	HK\$/'000
NON-CURRENT ASSETS	
Property, plant and equipment	105,107
Prepaid land lease payments	14,250
Intangible assets	
Investments in joint ventures	6,491
Investment in an associate	18
Available-for-sale investments	3,000
Long term deposits	60
Total non-current assets	<u>128,926</u>
CURRENT ASSETS	
Inventories	45,518
Trade and bill receivables	55,484
Prepaid land lease payments	486
Prepayments, deposits and other receivables	8,327
Amount due from a joint venture	844
Cash and cash equivalent	24,368
Total current assets	<u>135,027</u>
CURRENT LIABILITIES	
Trade payables	45,068
Other payables and accruals	35,599
Borrowings	21,387
Provision	1,042
Amount due to a non-controlling shareholder of a subsidiary	152
Tax payable	123
Total current liabilities	<u>103,371</u>
NET CURRENT ASSETS	<u>31,656</u>
TOTAL ASSETS LESS CURRENT LIABILITIES	<u>160,582</u>
NON-CURRENT LIABILITIES	
Amount due to Earmills Holding Limited	120,000
Amount due to Group Sense (International) Limited	120,885
Total non-current liabilities	<u>240,885</u>
Net liabilities	<u>(80,303)</u>
 Issued capital	 -
Reserves	<u>(72,470)</u>
Equity attributable to owners of the Disposal Group	<u>(72,470)</u>
Non-controlling interests	<u>(7,833)</u>
	<u>(80,303)</u>