

**DATED 28 August 2017**

Rossoneri Sport Investment Company Limited (as "Borrower")

and

Great Earn International Limited

(as "Lender")

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**LOAN AGREEMENT  
US\$8,300,000.00  
TERM LOAN FACILITY**

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**THIS AGREEMENT** is dated 28 August 2017 and made

**AMONG:**

- (1) **ROSSONERI SPORT INVESTMENT CO., LIMITED**, a company incorporated in Hong Kong, with registered office at Units 2703-6, 27/F, Convention Plaza – Office Tower, 1 Harbour Road, Wanchai, Hong Kong ("**Borrower**");
- (2) **GREAT EARN INTERNATIONAL LIMITED**, a company incorporated in Hong Kong, with limited liability, having its registered address at Suite 2005-2006, 20/F., Tower 6, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong (the "**Lender**").

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

**1. DEFINITIONS AND INTERPRETATION**

**1.1 Definitions**

In this Agreement (including the Recitals, the Schedules and, the Appendices and Exhibits), the following expressions shall, unless the context otherwise requires, have the following meanings:

<b>"Advance"</b>	the lending under the Facility pursuant to Clause 4 or, as the context may require, the principal amount advanced to the Borrower on each such occasion;
<b>"associates"</b>	shall have the same meaning as ascribed thereto under the Listing Rules;
<b>"Availability Period"</b>	the period commencing on the date of this Agreement and ending on the earlier of (i) the date being 10 Banking Days from the date of this Agreement or such other date as may be agreed by the parties hereto in writing and (ii) the date on which the Facility is fully drawn, cancelled or terminated under the provisions of this Agreement;
<b>"Banking Day" or "Business Day"</b>	a day (other than a Saturday or a Sunday) on which banks are open for general business in Hong Kong;
<b>"Borrower Group"</b>	the Borrower and its subsidiaries;
<b>"Charged Shares"</b>	an aggregate of 1 share held by the Chargor in the Company, representing 100% of the issued share capital of the Company;
<b>"Chargor"</b>	Mr. Li Yong Hong;
<b>"Company"</b>	Rossoneri Advance Co., Limited, a company incorporated in the British Virgin Islands with limited liability, having its registered address at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands;
<b>"Drawdown Date"</b>	the date on which the Advance is drawn down as set out in the Notice of Drawing;
<b>"Encumbrance"</b>	(a) any mortgage, charge, pledge, lien, encumbrance, hypothecation or other security interest or security arrangement of any kind; (b) any arrangement whereby any rights are subordinated to any rights of any third party;

			(c) any contractual right of set-off; and
			(d) the interest of a vendor or lessor under any conditional sale agreement, lease, hire purchase agreement or other title retention arrangement other than an interest in a lease or hire purchase agreement which arose in the ordinary course of business;
	<b>"Event of Default"</b>		any event or circumstance specified as such in Clause 13 or in any Security Document; and "prospective Event of Default" means any event or circumstance which with the giving of notice and/or the passage of time and/or the making of any relevant determination and/or the forming of any necessary opinion would be an Event of Default;
	<b>"Facility"</b>		the loan facility to be made available under this Agreement;
	<b>"Finance Documents"</b>		this Agreement, the Security Documents, the Notice of Drawing and any other document designated as such by the Lender and the Borrower;
	<b>"First Extended Maturity Date"</b>		the date being three (3) months from the first expiry of Maturity Date;
	<b>"Hong Kong"</b>		the Hong Kong Special Administrative Region of the People's Republic of China;
	<b>"Listing Rules"</b>		the Rules Governing the Listing of Securities on the Stock Exchange;
	<b>"Loan"</b>		the aggregate principal amount drawn and for the time being outstanding under the Facility;
	<b>"Material Adverse Effect"</b>		means, in the opinion of the Lender, a material adverse effect on: <ul style="list-style-type: none"> <li>(a) the ability of any of the Borrower or the Security Party to perform its obligations under any of the Security Documents to which it is or is to be a party;</li> <li>(b) where applicable, the business, operations, assets, financial, foreign exchange or other condition or prospects of the Borrower or any other Security Party or any Holding Company or Subsidiary of any of them; or</li> <li>(c) the validity or enforceability of any Security Document, the value of any security under any Security Document or the rights or remedies of any Lender under the Security Documents;</li> </ul>
	<b>"Maturity Date"</b>		the date falling six (6) months from the Drawdown Date, or the First Extended Maturity Date or the Second Extended Maturity Date as extended in accordance with Clause 2.3;
	<b>"Notice of Drawing"</b>		a notice substantially in the form set out in Appendix 1;

<b>"Obligors"</b>	the Borrower and the Security Party and <b>"Obligor"</b> means each one of them;
<b>"Personal Guarantee"</b>	the personal guarantee to be executed by the Chargor in favour of the Lender in the form, or substantially in the form, set out in Appendix 3;
<b>"PRC"</b>	the People's Republic of China;
<b>"Second Extended Maturity Date"</b>	the date being three (3) months from the expiry of the First Extended Maturity Date;
<b>"Security"</b>	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;
<b>"Security Documents"</b>	the Share Charge, the Personal Guarantee, and any other document executed from time to time by whatever person as a further guarantee of or security for all or any part of the Borrower's obligations under this Agreement;
<b>"Security Party"</b>	each person other than the Borrower which has provided or subsequently provides a guarantee of or security for all or any part of the Borrower's obligations under this Agreement, and includes, without limitation, the Chargor;
<b>"Share Charge"</b>	the share charge deed executed or to be executed by the Chargor over the Charged Shares in the form, or substantially in the form, set out in Appendix 2;
<b>"Stock Exchange"</b>	The Stock Exchange of Hong Kong Limited;
<b>"Subsidiary" and "Holding Company"</b>	have the respective meanings ascribed to the terms "subsidiary" and "holding company" in section 2 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong); and
<b>"US\$"</b>	the lawful currency of United States

1.2 Construction

In this Agreement, unless the context requires otherwise, any reference to:

<b>"authorisation"</b>	includes any approvals, consents, licences, permits, franchises, permissions, registrations, resolutions, directions, declarations and exemptions;
<b>"including" or "includes"</b>	including or includes without limitation;
<b>"indebtedness"</b>	includes any obligation of any person for the payment or repayment of money, whether present or future, actual or contingent, including but not limited to any such obligation: <ul style="list-style-type: none"> <li>(a) under or in respect of any acceptance, bill, bond, debenture, note or similar instrument;</li> <li>(b) under or in respect of any guarantee, indemnity, counter-security or other assurance against financial loss;</li> </ul>

(c) in respect of the purchase, hire or lease of any asset or service; or

(d) in respect of any indebtedness of any other person whether or not secured by or benefiting from an Encumbrance on any property or asset of such person;

**"law" and/or "regulation"**

includes any constitutional provisions, treaties, conventions, statutes, acts, laws, decrees, ordinances, subsidiary and subordinate legislation, orders, rules and regulations having the force of law and rules of civil and common law and equity;

**"order"**

includes any judgment, injunction, decree, determination or award of any court, arbitration or administrative tribunal;

**"person"**

includes any individual, company, body corporate or unincorporated or other juridical person, partnership, firm, joint venture or trust or any federation, state or subdivision thereof or any government or agency of any thereof; and

**"tax"**

includes any 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, penalty or other charge payable or claimed in respect thereof and "taxation" shall be construed accordingly.

1.3 Successors and Assigns

The expressions "Borrower" and "Lender" shall where the context permits include their respective successors and permitted assigns and any persons deriving title under them.

1.4 Miscellaneous

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; words importing the singular include the plural and *vice versa* and words importing a gender include every gender; references to this Agreement or any Security Document shall be construed as references to such document as the same may be amended or supplemented or novated from time to time; unless otherwise stated; references to Clauses, Schedules, Appendices and Exhibits are to clauses of, schedules, appendices and exhibit to this Agreement and references to this Agreement include its Schedules, Appendices and Exhibits. Clause headings are inserted for reference only and shall be ignored in construing this Agreement.

1.5 Actions by the Lender

The Lender shall be entitled to issue a notice, make a request or take any action or exercise any discretion under or pursuant to this Agreement or any Security Document with respect to all or any part of the rights, powers or remedies available to the Lender hereunder or under any Security Document, and a notice or an instruction from the Lender is sufficient for any such action for all purposes. Such notice or instruction shall be binding on the Lender and the Borrower. No party shall raise any queries or question on the validity of such notice or instruction.

**2. THE FACILITY**

2.1 Amount

Subject to the provisions of this Agreement, the aggregate principal amount of the Facility available to the Borrower is US\$8,300,000.00.

2.2 Purpose

The proceeds of the Facility shall be used as to approximately Euro 5,000,000 for the increase in the capital of the Borrower's subsidiaries and the remaining for the general working capital of the Borrower Group only.

The Lender is not bound to monitor or verify the application of any amount borrowed pursuant to this Agreement.

2.3 Term

The term of the Facility can be extended (i) to the First Extended Maturity Date subject to mutual agreement in writing to be made between the Borrower and the Lender not less than five (5) Business Days before the expiry of six (6) months from the Drawdown Date; (ii) to the Second Extended Maturity Date subject to mutual agreement in writing to be made between the Borrower and the Lender not less than five (5) Business Days before the expiry of the First Extended Maturity Date.

**3. CONDITIONS**

3.1 Conditions Precedent

The Lender shall not be obliged to make the Advance to the Borrower unless:

3.1.1 Borrower has submitted to the Lender a duly completed copy Notice of Drawing;

3.1.2 the Lender shall have received /shall have been satisfied that:

Loan Agreement

(a) this Agreement duly executed by the Borrower;

Corporate Documents

(b) in relation to each of the Borrower and the Company, certified true copies of:

(i) its certificate of incorporation, memorandum and articles of association, bye-laws (if any) and all other constitutional documents;

(ii) its current business registration certificate (if any) and all other necessary authorisations for the operation of its business;

(iii) its current register of members and register of directors;

Security Document

(c) the Share Charge duly executed by the Chargor;

(d) the Personal Guarantee duly executed by the Chargor;

Miscellaneous

(e) evidence that all authorisations have been obtained and all necessary filings, registrations and other formalities have been or will be completed in order to ensure that this Agreement and the Security Documents are valid and enforceable;

- (f) a copy of a resolution of the board of directors of the Borrower: (i) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and resolving that it execute, deliver and perform the Finance Documents to which it is a party;(ii) authorising a specified person or persons to execute the Finance Documents to which it is a party on its behalf; (iii) authorising a specified person or persons, on its behalf, to sign and/or despatch all documents and notices (including, if relevant, a Notice of Drawing) to be signed and/or despatched by it under or in connection with the Finance Documents to which it is a party; and (iv) resolving that it is in its best interests to enter into the transactions contemplated by the Finance Documents to which it is a party, giving reasons;
- (g) a copy certificate of each of the Borrower and the Security Party, signed by a director of the Borrower or the Security Party (as applicable) confirming: (i) the specimen of the signature of each person authorised by the resolution referred to in clause 3.1.2(g) above; (ii) borrowing or securing, as appropriate the Facility would not cause any borrowing, security or similar limit binding on it to be exceeded; (iii) that each copy document relating to it specified in this Clause 3.1 is correct, complete and in full force and effect;(iv) confirming that (A) no Event of Default or prospective Event of Default is outstanding or would result from the execution and delivery of the Finance Documents to which it is a party;(B) all obligations under the Finance Documents to which it is a party required to be performed by it on or before the date of such certificate have been performed; and (C) there has been no event making any of the representations and warranties of the Borrower or the Security Party (as applicable) contained in the Finance Documents to which it is a party untrue or incorrect in any respect;
- (h) a certified copy of the photo identification (passport) of the Chargor;
- (i) evidence to the Lender's sole satisfaction that the Lender has obtained internal approval of directors' resolution of the transactions contemplated by the Finance Documents.

### 3.2 Conditions Subsequent

The Borrower and the Security Party (as the case may be) shall ensure that the following documents are delivered within seven Business Days after the Drawdown Date:

- (a) the Borrower shall provide certified true copy of the latest certificate of incumbency of the Company.
- (b) the Borrower shall provide originals of the documents set out in Clause 3.1.1, 3.1.2(a), 3.1.2(c) and 3.1.2(d) and 3.1.2(g) and certified copy of the document set out in clause 3.1.2(f).

### 3.3 Drawdown Date Actions

On the Drawdown Date, subject to the satisfaction of the Conditions Precedent, the Lender shall make the Advance available by depositing into the bank account specified by the Borrower in the Notice of Drawing by way of wire transfer for the amount specified in the Notice of Drawing. The Borrower shall, immediately after the wire transfer by the Lender, deliver to the Lender signed acknowledgement of receipt in respect of the abovementioned wire transfer signed by the Borrower in a form set out in Part II of Appendix 1.

## 4. **ADVANCES**

### 4.1 Availability of Advance



Subject to Clause 4.2 and the other terms and conditions of this Agreement, the Borrower may request the making of the Advance in the amount of US\$8,300,000.00 in one lump sum on any Banking Day during the Availability Period.

#### 4.2 Conditions to the Making of Advance

The making of the Advance is subject to the sole discretion of the Lender to make such requested Advance and also subject to the conditions that:

- (a) the requirements of Clause 3.1 shall have been satisfied before the Notice of Drawing is given or at such later time as the Lender may agree;
- (b) the Lender shall have received not later than 12:00 noon (Hong Kong time) on the Banking Day immediately before the date on which the Advance is to be made a duly completed and signed original Notice of Drawing;
- (c) the representations and warranties set out in Clause 11 are true and correct in all respects;
- (d) no Event of Default or prospective Event of Default shall have occurred (or would be likely to occur as a result of the Advance being made) and all representations and warranties made by the Borrower in or in connection with this Agreement shall be true and correct as at the date such Advance is to be made with reference to the facts and circumstances then subsisting; and
- (e) not later than 11:00 a.m. (Hong Kong time) on the date on which the Advance is to be made, the Lender shall have received and found satisfactory such additional information and documents relating to the Borrower or this Agreement or any Security Document as such Lender may reasonably require as a result of circumstances arising or becoming known to the Lender since the date of the previous Advance or, if no previous Advance has been made, the date of this Agreement.

#### 4.3 Notice of Drawing Irrevocable

The Notice of Drawing once given shall be irrevocable and the Borrower shall be bound to draw the Advance in accordance therewith, except as otherwise provided in this Agreement.

#### 4.4 Cancellation

Any part of the Facility undrawn at the end of the Availability Period shall be cancelled.

### 5. **INTEREST**

#### 5.1 Interest

The Borrower shall pay interest at the rate of 14 per cent. (14% per annum) on the Loan calculated on a simple interest basis. All interest payments made by the Borrower shall not be refundable. Interest shall be payable in arrears in every three (3) months from the Drawdown Date (each such date an "**Interest Payment Date**"). The period from (and including) one Interest Payment Date to (and excluding) the next Interest Payment Date shall be referred to as an "**Interest Period**". When interest is required to be calculated in respect of a period of less than a full Interest Period, it shall be calculated on the basis of a 365-day year and, in the case of an incomplete month, the number of days elapsed.

### 6. **REPAYMENT and PREPAYMENT**

#### 6.1 Repayment

The Borrower shall repay the Loan in full (together with accrued interest in accordance with Clause 5 and all other amounts accrued or outstanding under this Agreement and any Security Documents computed up to the date of payment) on the Maturity Date.

6.2 Voluntary Prepayment

The Borrower may voluntarily prepay all or part of the Loan (together with accrued interest in accordance with Clause 5 and all other amounts accrued or outstanding under this Agreement and any Security Documents computed up to the date of payment) at any time and from time to time after three (3) months from the Drawdown Date, provided that the Borrower shall have given to the Lender not less than seven (7) calendar days' prior written notice specifying the date of prepayment ("**Prepayment Date**").

6.3 Mandatory Prepayment Events

- (a) If the Borrower receives any dividend proceeds or other income distribution in connection with its Subsidiaries, the Borrower must procure that an amount equal to the amount of such dividend proceeds or other income distribution is applied towards prepaying the Loan within five (5) Banking Days of the Borrower receiving such proceeds.
- (b) Any prepayment made under this Clause 6.3 shall be made together with accrued interest and all other amounts accrued or outstanding under this Agreement and any Security Documents computed up to the date of payment.

6.4 Provisions applicable to Prepayments

Any notice of prepayment given by the Borrower under any provision of this Agreement shall be irrevocable and shall specify the date or dates upon which the relevant prepayment is to be made and the amount of that prepayment and the Borrower shall be bound to make a prepayment in accordance therewith. Any prepayment under this Agreement shall be made together with accrued interest on the amount prepaid. The Borrower may not prepay the Loan or any part thereof except in accordance with the express terms of this Agreement. Amounts prepaid may not be reborrowed under this Agreement.

**7. UNLAWFULNESS**

7.1 Unlawfulness

If it becomes unlawful for the Lender to give effect to its obligations hereunder, the Lender shall so notify the Borrower, whereupon the Facility shall be cancelled. The Borrower shall forthwith after such notification, or such longer period as the Lender may certify as being permitted by the relevant law, prepay the Loan in full together with interest accrued thereon to the date of prepayment and any other monies owing hereunder.

**8. TAXES, OTHER DEDUCTIONS AND INDEMNITIES**

8.1 No Deductions or Withholdings

All sums payable by the Borrower under this Agreement shall be paid in full without set-off or counterclaim or any restriction or condition and free and clear of any tax or other deductions or withholdings of any nature. If the Borrower or any other person is required by any law or regulation to make any deduction or withholding (on account of tax or otherwise) from any payment, the Borrower shall, together with such payment, pay such additional amount as will ensure that the Lender receives (free and clear of any tax or other deductions or withholdings) the full amount which it would have received if no such deduction or withholding had been required.

8.2 Advance Notification

If at any time the Borrower becomes aware that any such deduction, withholding or payment contemplated by Clause 8.1 is or will be required, it shall immediately notify the Lender and supply all available details thereof.

### 8.3 Currency indemnity

If any sum due from an Obligor under the Finance Documents (a "**Sum**"), or any order, judgment or award given or made in relation to a Sum, has to be converted from the currency (the "**First Currency**") in which that Sum is payable into another currency (the "**Second Currency**") for the purpose of:

- (a) making or filing a claim or proof against that Obligor; or
- (b) obtaining or enforcing an order, judgment or award in relation to any litigation or arbitration proceedings,

that Obligor shall as an independent obligation, within three Business Days of demand, indemnify the Lender against any cost, loss or liability arising out of or as a result of the conversion including any discrepancy between (A) the rate of exchange used to convert that Sum from the First Currency into the Second Currency and (B) the rate or rates of exchange available to that person at the time of its receipt of that Sum.

Each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency or currency unit other than that in which it is expressed to be payable.

### 8.4 Other indemnities

The Borrower shall, within three (3) Business Days of demand, indemnify the Lender against any cost, loss or liability incurred by the Lender as a result of :

- (a) the occurrence of any Event of Default;
- (b) the information produced or approved by any Obligor being or being alleged to be misleading and/or deceptive in any respect;
- (c) any enquiry, investigation, subpoena (or similar order) or litigation with respect to any Obligor or with respect to the transactions contemplated or financed under this Agreement;
- (d) a failure by an Obligor to pay any amount due under a Finance Document on its due date or in the relevant currency;
- (e) funding, or making arrangements to fund, a Loan requested by the Borrower in a Notice of Drawing Request but not made by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of default or negligence by the Lender alone);
- (f) the Loan (or part of the Loan) not being prepaid in accordance with a notice of prepayment given by the Borrower;
- (g) investigating any event which it reasonably believes is a Default;
- (h) the taking, holding, protection or enforcement of the security under the Security Documents; or
- (i) acting or relying on any notice, request or instruction which it reasonably believes to be genuine, correct and appropriately authorised.

## 9. **FEES AND EXPENSES**

### 9.1 Expenses

The Borrower shall, within three (3) Business Days of demand, pay to the Lender all costs and expenses (including legal fees) incurred by the Lender in connection with the preparation, negotiation, execution and (where relevant) registration of this Agreement, the Security Documents and any other documentation required hereunder or thereunder

and the arrangement of the Facility and any amendment hereto or to any Security Document and any inspection, calculation, approval, consent or waiver to be conducted, made or given by the Lender pursuant to any provision of this Agreement or any Security Document.

9.2 Enforcement Costs

The Borrower shall from time to time forthwith on demand pay to or reimburse the Lender for all costs, charges and expenses (including legal and other fees on a full indemnity basis and all other out-of-pocket expenses) incurred by it in exercising any of its rights or powers under this Agreement or any Security Document or in suing for or seeking to recover any sums due under this Agreement or any Security Document or otherwise preserving or enforcing its rights under this Agreement or any Security Document or in defending any claims brought against it in respect of this Agreement or any Security Document or in releasing or re-assigning any Security Document.

9.3 Amendment Costs

If (a) an Obligor requests an amendment, waiver or consent or (b) an amendment is required, the Borrower shall, within three Business Days of demand, reimburse the Lender for the amount of all costs and expenses (including legal fees) reasonably incurred by the Lender in responding to, evaluating, negotiating or complying with that request or requirement.

9.4 Taxes

The Borrower shall pay all present and future stamp and other like duties and taxes and all notarial, registration, recording and other like fees which may be payable in respect of this Agreement or any Security Document and shall indemnify the Lender against all liabilities, costs and expenses which may result from any default in paying such duties, taxes or fees.

**10. PAYMENTS AND EVIDENCE OF DEBT**

10.1 Advances

Amounts to be advanced by the Lender under this Agreement shall be made available to the Borrower by wire transfers in accordance with Clause 3.2 of this Agreement or in such other manner as the Borrower shall have previously agreed with the Lender.

10.2 Payments by Borrower

All payments by the Borrower under this Agreement shall be made to the Lender by cashier's orders (issued by a licensed bank in Hong Kong that is acceptable to the Lender) made payable to the Lender which shall be delivered to the Lender by no later than 11:00 a.m. (Hong Kong time) on the relevant due date or by crediting such payments in immediately available fund to the account as the Lender may designate in writing for such purpose by no later than 11:00 a.m. (Hong Kong time).

10.3 Banking Days

If any sum would otherwise become due for payment on a non-Banking Day that sum shall become due on the next following Banking Day and interest shall be adjusted accordingly, except that if any repayment due under Clause 6.1 would then become due in another calendar month such repayment shall become due on the immediately preceding Banking Day.

10.4 Evidence of Debt

The Lender shall maintain on its books in accordance with its usual practice a set of accounts recording the amounts from time to time owing by the Borrower hereunder. In any legal proceeding and otherwise for the purposes of this Agreement the entries made in such accounts shall, in the absence of manifest error, be conclusive and binding on the

Borrower as to the existence and amounts of the obligations of the Borrower recorded therein.

10.5 Certificate Conclusively and Binding

Where any provision of this Agreement provides that the Lender may certify or determine an amount or rate payable by the Borrower, in respect of the portion of the Loan advanced to the Borrower, a certificate by the Lender as to such amount or rate shall be conclusive and binding on the Borrower in the absence of manifest error.

**11. REPRESENTATIONS AND WARRANTIES**

11.1 Representations and Warranties

The Borrower makes the representations and warranties set out in this Clause 11 to the Lender and the Borrower acknowledges that the Lender enters into the Finance Documents and the transactions contemplated herein in reliance of the representations and warranties provided in this Clause 11.

The Borrower unconditionally and irrevocably represents and warrants to the Lender that:

- (a) each member of the Borrower Group is a company duly incorporated with limited liability and validly existing and in good standing under the laws of its place of incorporation, and has full power, authority and legal right to own its property and assets and to carry on its business;
- (b) the Borrower has full power, authority and legal right to enter into and engage in the transactions contemplated by this Agreement and/or the Security Documents to which it is a party and has taken or obtained all necessary corporate and other action and consents to authorise the execution and performance of this Agreement and/or the Security Documents to which it is a party;
- (c) this Agreement constitutes and the Security Documents to which the Borrower is a party when executed and delivered will constitute legal, valid and binding obligations of the Borrower enforceable in accordance with its terms;
- (d) neither the execution of this Agreement (or any other document delivered by the Borrower under or in connection with this Agreement which it is party to) and the other Security Documents to which the Borrower is a party nor the performance by the Borrower of any of its respective obligations or the exercise of any of its respective rights under the other Security Documents to which the Borrower is a party will:
  - (i) conflict with or result in a breach of any law, regulation, judgment, order, authorisation, agreement or obligation applicable to it or the Borrower Group;
  - (ii) cause any limitation placed on it or the Borrower Group to be exceeded;
  - (iii) conflict with or result in a breach of any document which is binding upon it or the Borrower Group or any of its or the Borrower Group's property or assets; or
- (e) all authorisations required from any governmental authority or from any shareholders or creditors of any member of the Borrower Group for or in connection with the execution, validity and performance of this Agreement and the Security Documents to which it is a party have been obtained and are in full force and effect or, by the date on which the Notice of Drawing is given, will have been obtained and be in full force and effect and there has been no default under the conditions of any of the same;
- (f) no proceedings (including litigation, arbitration and administrative proceedings) currently taking place or pending or, to its knowledge, threatened against any

member of the Borrower Group or its assets or revenues which has a Material Adverse Effect on the validity, enforceability and priority of any of the Security Documents to which it is a party, or its ability to perform its obligation under the Security Documents to which it is a party;

- (g) each of the Borrower and the Security Party is not in default under any law, regulation, judgment, order, authorisation, agreement or obligation applicable to it or its assets or revenues, the consequences of which default could materially and adversely affect its business or financial condition or its ability to perform its obligations under this Agreement or any of the Security Documents to which it is a party and no Event of Default or prospective Event of Default has occurred;
- (h) no Encumbrance exists over all or any part of the property, assets or revenues of the Borrower except as created by the Security Documents or liens arising by operation of law in the ordinary course of business or as disclosed under this Agreement;
- (i) the Borrower Group has no indebtedness to any party and has not granted any guarantee except as disclosed under this Agreement;
- (j) as at the date of this Agreement, no agreement or contract has been entered with any person in respect of the transfer, Encumbrance or voting in respect of the Charged Shares owned by the Borrower except as disclosed under this Agreement;
- (k) no Security exists and no transaction has been entered into over or in respect of, all or any of the present or future assets (including the Charged Shares) of the Borrower and the Company except as disclosed under this Agreement and as expressly permitted by this Agreement and the Security Documents;
- (l) each of the Borrower, the Security Party has not been bankrupted or dissolved and it has not entered into (or taken steps to enter into) liquidation, administration, administrative receivership, receivership, any voluntary arrangement, a scheme of arrangement with creditors, any analogous or similar procedure in any jurisdiction or any other form of procedure relating to insolvency, reorganisation or dissolution in any jurisdiction; and no petition has been presented or other step been taken by any person with a view to any of those things or similar things, and it is not currently the subject of bankruptcy, insolvency, reorganisation, moratorium proceeding and/or procedures, which may affect the validity and/or enforceability for performance of its obligations under this Agreement and the Security Documents and other documents contemplated under this Agreement, or which may result in setting aside of its obligations under this Agreement and the Security Documents and other documents contemplated under this Agreement;
- (m) the Borrower is subject to civil and commercial law and to proceedings, and neither the Borrower nor any of its assets or revenues are entitled to any immunity or privilege (sovereign or otherwise) from any set-off, judgment, execution, attachment or other legal process;
- (n) no fact exists that would adversely affect the Borrower's ability to perform its obligations pursuant to this Agreement;
- (o) all information, materials provided to the Lender by the Borrower or its nominees or representatives and all matters contained in or confirmed by any of the Security Party in connection with the Facility and any member of the Borrower Group (including but not limited to the financial status and indebtedness status of the Borrower and the Borrower and representations and warranties in connection thereto) are true, complete and accurate in all respects and does not contain any misstatement of fact or omit any material fact and in the case of documentation, the copies of documents supplied are true, complete and accurate;
- (p) it is not necessary or desirable to file, register or record any Finance Document in any public place or elsewhere;

- (q) the choice of governing law of each of the Finance Documents will be recognised and enforced in its relevant jurisdictions;
- (r) it is not required under the law applicable where the Obligor is incorporated or resident or at the address specified in this Agreement to make any deduction for or on account of tax from any payment it may make under any Finance Document;
- (s) it is not necessary under the laws of its relevant jurisdictions that the Finance Documents be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to the execution or delivery of the Finance Documents or the transactions contemplated by the Finance Documents;
- (t) no Event of Default or prospective Event of Default is continuing or might reasonably be expected to result from the making of any Facility or the entry into, the performance of, or any transaction contemplated by, any Finance Document;
- (u) no other event or circumstance is outstanding which constitutes a default under any other agreement or instrument which is binding on any Obligor or any member of the Borrower Group or to which any Obligor's or any member of the Borrower Group's assets are subject which might have a Material Adverse Effect;
- (v) each Obligor's payment obligations under the Finance Documents rank at least pari passu with the claims of all of its other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to companies generally.

## **12. UNDERTAKINGS**

### **12.1 Affirmative Undertakings**

The Borrower agrees to be bound by the covenants set out in this Clause 12 relating to it. The undertakings in this Clause 12 remain in force during the period beginning on the date of this Agreement and ending on the date on which all present and future obligations and liabilities (whether actual or contingent and whether owed jointly or severally or in any other capacity whatsoever) of each Obligor to the Lender under each Finance Document have been unconditionally and irrevocably paid and discharged in full.

The Borrower undertakes and agrees with the Lender throughout the continuance of this Agreement and so long as any sum remains owing hereunder that the Borrower will unless the Lender otherwise agrees in writing:

- (a) keep proper records and books of account in respect of the business of the Company and permit the Lender and/or its agents free access at all times (i) to inspect and examine the records and books of account of the Borrower and of the Company; and (ii) to visit the premises and to discuss with senior management of the Company;
- (b) promptly inform the Lender of:
  - (i) the occurrence of any Event of Default or prospective Event of Default;
  - (ii) any litigation, arbitration or administrative proceeding as referred to in Clause 11.1(f);
  - (iii) any illegality or allegation of illegality or any breach of any law affecting the Borrower, the Security Party or their respective directors; and
  - (iv) any event of force majeure;
- (c) maintain and procure the Borrower, the Company and the Borrower Group to maintain their corporate existence and conduct their business in a proper and efficient manner and in compliance with all laws, regulations, authorisations, agreements and obligations applicable to them (including without limitation the maintenance of all appropriate licences, approvals, consents and insurance policies) and pay all taxes imposed on them when due;

- (d) procure that no amendment or supplement is made to the memorandum or articles of association (including without limitation provisions therein relating to capital structure) of the Borrower and the Company without the prior written consent of the Lender;
- (e) maintain in full force and effect all such authorisations as are referred to in Clause 11.1(e), and take immediate steps to obtain and thereafter maintain in full force and effect;
- (f) comply and procure the Company and each member of the Borrower Group and the Security Party to comply with all applicable present and future laws and regulations;
- (g) comply and procure the Company and each member of the Borrower Group and the Security Party to comply with all necessary filing and disclosure requirements under the relevant laws in respect of this Agreement and the Security Documents and the transaction contemplated thereby;
- (h) ensure that the Loan ranks pari passu with all existing indebtedness of the Borrower Group, except as previously disclosed under this Agreement;
- (i) undertake that it shall make proportional repayment of the Loan to the Lender in the event that the Borrower Group repay any amount to the lenders under the existing indebtedness of the Borrower Group. The amount of such proportional repayment shall be determined by the then outstanding principal amount of the Loan to the total amount of the existing indebtedness of the Borrower Group;
- (j) ensure that its obligations under this Agreement at all times rank at least pari passu with all other present and future unsecured and unsubordinated obligations of the Borrower;
- (k) use the Facility exclusively for the purposes specified in Clause 2.2;
- (l) punctually pay all sums due from it to the Lender and otherwise comply with its obligations under this Agreement and all the Security Documents to which it is a party; and
- (m) maintain and procure that there is no change of control in the Company, the Borrower and the Borrower Group.

#### 12.2 Negative Undertakings

The Borrower undertakes and agrees with the Lender throughout the continuance of this Agreement and so long as any sum remains owing hereunder that the Borrower will not, and will procure the Borrower Group not to (to the maximum extent permitted and consistent with any applicable laws, rules and regulations), unless the Lender otherwise agrees in writing (such consent not to be unreasonably withheld by the Lender):

- (a) amalgamate, merge, demerge or consolidate with any other entity or take any step with a view to dissolution, liquidation or winding-up;
- (b) issue any new shares, or equity-linked securities or grant or agree to grant any option, right or warrant to purchase any shares;
- (c) purchase or redeem any of its issued shares or reduce its share capital or make a distribution of assets or other capital distribution to its shareholders or make a repayment in respect of any loans or other indebtedness owing to any of its shareholders;
- (d) declare or pay any dividend or make any other income distribution to its shareholders;



- (e) settle any outstanding amount due to its shareholders or affiliates;
- (f) establish or acquire any Subsidiary or invest in any other entity or provide financing to any person;
- (g) materially change the nature of its business, sell, transfer or otherwise assign, deal with or dispose of all or any part of its business or (except for good consideration in the ordinary course of its business) its assets or revenues, whether by a single transaction or by a number of transactions whether related or not;
- (h) create or attempt or agree to create or permit to arise or exist any Encumbrance over all or any part of its property, assets or revenues except (i) any Encumbrance created under the Security Documents or (ii) any possessory lien arising by operation of law in the ordinary course of its business and not in connection with the borrowing or raising of money or credit;
- (i) enter into any agreement or obligation which might materially and adversely affect its financial or other condition;
- (j) acquire, subscribe or provide financial assistance (in whatsoever form) to any other parties other than for the purpose of repaying the Loan under this Agreement;
- (k) amend its articles of association (other than any amendment required to comply with applicable laws or regulations);
- (l) incur, create or permit to subsist or have outstanding any indebtedness or liabilities or enter into any agreement or arrangement whereby it is entitled to incur, create or permit to subsist any indebtedness or liabilities;
- (m) pass any resolution to dissolve or wind up its corporate existence;
- (n) sell, transfer or dispose of, agree or contract to sell, transfer or dispose of or grant or agree to grant any option, right or warrant to purchase for or create any mortgage, charge, pledge, lien, hypothecation, encumbrance or other security arrangement of any kind or enter into any swap or derivative agreements in relation to any of its assets; and
- (o) acquire any company, business, assets or undertaking.

### 12.3 Information Undertakings

- (a) The Borrower shall supply the Lender: (i) as soon as the same become available, but in any event within ninety (90) days after the end of each of its financial years its management accounts for that financial year; and (ii) as soon as the same become available, but in any event within sixty (60) days after the end of each half of each of its financial years its management accounts for that financial half year.
- (b) Subject to any applicable legal or regulatory restrictions the Borrower shall supply the Lender: (i) all documents dispatched by it to its shareholders (or any class of them) or its creditors generally at the same time as they are dispatched; (ii) promptly upon becoming aware of them, the details of any litigation, arbitration or administrative proceeds which are current, threatened or pending against any Obligor or any member of the Borrower Group (or against the directors of the Borrower or member of the Borrower Group), and which might, if adversely determined, have a Material Adverse Effect; (iii) promptly, such further information regarding the financial condition, business and operations of the Borrower and any member of the Borrower Group as the Lender may reasonably request; (iv) promptly, such information as the Lender may reasonably require about the Charged Shares and compliance of the Obligors with the terms of the Security Documents; and (v) promptly, notice of any change in authorised signatories of

any Obligor which is a corporate signed by a director or company secretary of such Obligor accompanied by specimen signatures of any new authorised signatories.

### **13. EVENTS OF DEFAULT**

#### **13.1 Events of Default**

Each of the following events and circumstances shall be an Event of Default:

- (a) the Borrower fails to pay any sum payable under this Agreement or any Security Document to which it is a party when due or otherwise in accordance with the provisions hereof or thereof;
- (b) the Borrower or any Security Party fails duly and punctually to perform or comply with any of its respective obligations or undertakings hereunder or under any Security Document to which it is a party and, in respect only of a failure which in the opinion of the Lender is capable of remedy and which is not a failure to pay money, does not remedy such failure within ten (10) days after receipt of written notice from the Lender requiring it to do so;
- (c) any representation, statement or warranty made by the Borrower or any Security Party in or in connection with this Agreement or any Security Document proves to have been incorrect or misleading in any material respect and, in respect only of a breach which in the opinion of the Lender is capable of remedy, does not remedy such breach within ten (10) days after receipt of written notice from the Lender requiring it to do so;
- (d) the Borrower or any Security Party defaults or receives notice of default under any agreement or obligation relating to borrowing or any indebtedness of the Borrower or any Security Party becomes payable or capable of being declared payable before its stated maturity or is not paid when due (and taking into account any applicable cure period in the relevant agreement) or any Encumbrance, guarantee or other security now or hereafter created by the Borrower or any Security Party becomes enforceable;
- (e) any of the authorisations referred to in Clause 11.1(e) is not granted or ceases to be in full force and effect or is modified in a manner which, in the opinion of the Lender, may materially and adversely affect the operations, business or financial condition of the Borrower Group or the ability of the Borrower or any Security Party to perform its obligations under this Agreement or any Security Document to which it is a party, or if any law, regulation, judgment or order (or the repeal or modification of any of the foregoing) suspends, varies, terminates or excuses performance by the Borrower or any Security Party of any of its obligations under this Agreement or any Security Document to which it is a party or purports to do any of the same;
- (f) a creditor takes possession of all or any part of the business or assets of any member of the Borrower Group or any execution or other legal process is enforced against the business or any asset of the Borrower Group and is not discharged within fourteen (14) days;
- (g) a petition is presented or a proceeding is commenced or an order is made or an effective resolution is passed or a notice is issued convening a meeting for the purpose of passing any resolution or any other step is taken by any person for the winding-up, insolvency, administration, reorganisation, reconstruction, dissolution or bankruptcy of any member of Borrower Group or for the appointment of a liquidator, receiver, administrator, trustee or similar officer of the Borrower Group or of all or any part of its business or assets and the failure by the relevant member of the Borrower Group to have any such petition or appointment discharged within fourteen (14) days;

- (h) any member of the Borrower Group stops or suspends payments to its creditors generally or is unable or admits its inability to pay its debts as they fall due or seeks to enter into any composition or other arrangement with its creditors or is declared or becomes bankrupt or insolvent;
- (i) any event occurs which in the opinion of the Lender appear to have an effect analogous to any of the matters set out in paragraphs (f), (g) and (h) above in any jurisdiction in which relevant member of the Borrower Group is incorporated or carries on business or any of its indebtedness becomes subject to a moratorium;
- (j) any member of the Borrower Group ceases or threatens to cease to carry on its business or any substantial part thereof or changes or threatens to change the nature or scope of its business or any member of the Borrower Group disposes of or threatens to dispose of or any governmental or other authority expropriates or threatens to expropriate all or any substantial part of its business or assets;
- (k) this Agreement or any Security Document or any provision hereof or thereof ceases for any reason to be in full force and effect or is terminated or jeopardised or becomes invalid or unenforceable or if there is any dispute regarding the validity or enforceability of the same or if there is any purported termination or repudiation of the same or it becomes impossible or unlawful for the Borrower, any Security Party or any other party thereto to perform any of its respective obligations hereunder or thereunder or for the Lender to exercise all or any of its rights, powers and remedies hereunder or thereunder;
- (l) any seizure, expropriation, nationalisation, intervention, restriction or other action by or on behalf of any governmental, regulatory or other authority or other person in relation to any member of the Borrower Group or any of the Security Party or any of its assets;
- (m) any breach of representations, warranties and undertakings by any Security Party under any of the Security Documents;
- (n) any situation occurs which in the opinion of the Lender give reasonable grounds to believe that a Material Adverse Effect in the business or financial condition or prospects of the Borrower Group has occurred or that the ability of the Borrower to perform its obligations hereunder or under any Security Document to which it is a party has been or will be materially and adversely affected;
- (o) there is a change of control in the Borrower, the Company and the Borrower Group;
- (p) any Obligor or any member of the Borrower Group is or is presumed or deemed to be unable or admits inability to pay its debts as they fall due, suspends making payments on any of its debts or, by reason of actual or anticipated financial difficulties, commences negotiations with one or more of its creditors with a view to rescheduling any of its indebtedness;
- (q) any corporate action, legal proceedings or other procedure or step is taken or occurs in relation to: (i) the suspension of payments, a moratorium of any indebtedness, winding-up, striking-off, dissolution, administration, bankruptcy, provisional supervision or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any Obligor or any member of the Borrower Group other than a solvent liquidation or reorganisation of any member of the Borrower Group which is not an Obligor; (ii) a composition, compromise or arrangement with any creditor of any Obligor or any member of the Borrower Group, or an assignment for the benefit of creditors generally of any Obligor or any member of the Borrower Group or a class of such creditors; (iii) the appointment of a liquidator (other than in respect of a solvent liquidation of a member of the Borrower Group which is not an Obligor), receiver, administrator, bankruptcy trustee, administrative receiver, compulsory manager, provisional supervisor or other similar officer in respect of any Obligor or any member of the Borrower Group or any of its assets; or

- (iv) enforcement of any Security over any assets of any Obligor or any member of the Borrower Group;
- (r) any event or series of events occurs which, in the reasonable opinion of the Lender, has or is reasonably likely to have a Material Adverse Effect;
- (s) at any time, any Security created under the Security Documents fails to have first ranking priority or is subject to any prior ranking or pari passu ranking Security other than as permitted under the Finance Documents.

#### 13.2 Declarations

If an Event of Default has occurred, the Lender may by written notice to the Borrower:

- (a) declare the Loan, accrued interest and all other sums payable hereunder to be, whereupon they shall become, immediately due and payable without further demand, notice or other legal formality of any kind; and/or
- (b) declare the Facility terminated whereupon the obligation of the Lender to make further Advances hereunder shall immediately cease; and/or
- (c) take possession of, sell or otherwise deal with any of the shares subject to the Share Charge and exercise any or all of its rights, remedies, powers or discretions under the Finance Documents.

### 14. **DEFAULT INTEREST**

#### 14.1 Rate of Default Interest

If the Borrower fails to pay any sum due and payable but unpaid under this Agreement when due ("**Unpaid Sum**"), the Borrower shall pay interest accrued on such sum from and including the due date to the date of actual payment (both before and after judgment) at the interest rate of 18% per annum. Any interest accruing under this Clause 14.1 shall be immediately payable by the Obligor on demand by the Lender. Default interest (if unpaid) arising on any Unpaid Sum will be compounded monthly and will remain immediately due and payable.

#### 14.2 Calculation of Default Interest

Interest at the rate or rates determined from time to time as aforesaid shall accrue from day to day, shall be calculated on the basis of the actual number of days elapsed and a 365 day year and shall be payable from time to time on demand.

### 15. **SET-OFF**

#### 15.1 Set-Off

If an Event of Default has occurred the Lender shall have the right, without notice to the Borrower or any other person, to set off and apply any credit balance on any account (whether subject to notice or not and whether matured or not and in whatever currency) of the Borrower with the Lender and any other indebtedness owing by the Lender to the Borrower, against the liabilities of the Borrower under this Agreement, and the Lender is authorised to purchase with the monies standing to the credit of any such account such other currencies as may be necessary for this purpose. This Clause shall not affect any general or banker's lien, right of set-off or other right to which the Lender may be entitled.

### 16. **WAIVER AND SEVERABILITY**

Time is of the essence of this Agreement but no failure or delay by the Lender in exercising any right, power or remedy hereunder shall impair such right, power or remedy or operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies herein provided are cumulative and do not exclude any other rights,

powers and remedies provided by law. If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity and enforceability of such provision under the law of any other jurisdiction, and of the remaining provisions of this Agreement, shall not be affected or impaired thereby.

## **17. CONFIDENTIALITY**

- 17.1 Each of the parties hereto undertakes to the other parties that it or he shall not make any announcement or release or disclose any information concerning this Agreement or the transactions contemplated herein without the consent of the other parties hereto except, a party hereto may, after prior consultation with the other parties hereto, release or disclose such information to such extent as required by law or the rules of the relevant regulatory authority applicable to either party.
- 17.2 Each party hereto undertakes to each other to keep confidential and not at any time disclose or make known in any way to anyone or use for its own or any other person's benefit any information supplied by the parties hereto before or after the date of this Agreement, relating to the Borrower or any member of the Borrower Group or the Chargor, their respective business, assets and affairs.
- 17.3 Each party hereto shall keep, and shall procure its officers and employees to keep, confidential all the Confidential Information. For purpose of this clause, "Confidential Information" means the information concerning each of member of the Borrower Group, the Chargor, provided to the Lender by the Borrower which are not publicly available.

## **18. MISCELLANEOUS**

### **18.1 Execution**

This Agreement shall become effective as of the date hereof.

### **18.2 Entire Agreement**

This Agreement and the documents referred to herein constitute the entire obligation of the Lender and supersede any previous expressions of intent or understandings in respect of this transaction.

### **18.3 Publicity**

No announcement or other publicity in connection with this Agreement or relating in any way to the Facility shall be made or arranged except as required by any applicable laws, rules and regulations (including but not limited to the Listing Rules) or by the Lender and in any event with the Lender's prior written consent.

### **18.4 Amendments in Writing**

Any amendment or waiver of any provision of this Agreement and any waiver of any default under this Agreement shall only be effective if made in writing and signed by the Lender.

### **18.5 Counterparts**

This Agreement may be executed in counterparts and by different parties on separate counterparts which when taken together shall be deemed to constitute one agreement.

### **17.6 Third Party Rights**

A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce or to enjoy the benefits of any term of this Agreement.

## **19. ASSIGNMENT**

### **19.1 The Borrower**

The Borrower shall not assign any of its rights and benefits hereunder.

### **19.2 The Lender**

The Lender may, with prior written consent of the Borrower, at any time assign to any one person (an "assignee lender") all of its rights, benefits and obligations under or arising out of this Agreement and the Security Documents and the Borrower shall execute and do all such transfers, assignments, assurances, acts and things as the Lender may require for perfecting and completing the assignment of such rights, benefits and obligations. Upon any such assignment taking effect (i) the Lender shall be released from such obligations and the Borrower shall look only to the assignee lender in respect of such obligations and (ii) references in this Agreement or the Security Documents to the Lender shall be construed accordingly as references to the assignee lender or the Lender, as relevant. All agreements, representations and warranties made herein shall survive any assignments made pursuant to this Clause and shall inure to the benefit of all assignee lenders as well as the Lender.

## **20. NOTICES**

### **20.1 Delivery**

Each notice, demand or other communication to be given or made under this Agreement shall be in writing and delivered or sent to the relevant party at its address or fax number or email address set out below (or such other address or fax number or email address as the addressee has by five (5) days' prior written notice specified to the other party):

#### **If to the Borrower:**

Address: Suite 3701-10, Jardine House, 1 Connaught Place, Central, Hong Kong  
Facsimile no.: (852) 2167 0050  
Attention: Board of Directors, Rossoneri Sport Investment Co., Limited  
Email address: david.han@rossoneri.com.cn

#### **If to the Lender:**

Address: Suite 2005-2006, 20/F., Tower 6, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong  
Facsimile no.: (852) 21167699  
Attention: Ms. Windy Duan  
Email address: windy.duan@teamwaygroup.com

### **20.2 Deemed Delivery**

Any notice, demand or other communication so addressed to the relevant party shall be deemed to have been delivered (a) if delivered by an express courier service provider of international repute, when actually delivered to the relevant address, and (b) if given or transmitted by fax, when despatched with electronic confirmation of complete and error-free transmission; (c) if given or transmitted by email or any other electronic communication, only when received in legible form, **Provided** that, if such day is not a working day in the place to which it is sent, such notice, demand or other communication shall be deemed delivered on the next following working day at such place.

20.3 Language

Each notice, demand or other communication hereunder and any other documents required to be delivered hereunder shall be either in English or accompanied by a certified translation thereof into the English language.

**21. GOVERNING LAW AND JURISDICTION**

21.1 Law

This Agreement and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of Hong Kong.

21.2 Jurisdiction

The Borrower irrevocably agrees for the benefit of the Lender that any legal action or proceeding arising out of or relating to this Agreement may be brought in the courts of Hong Kong and irrevocably submits to the exclusive jurisdiction of such courts. Notwithstanding the above, the Borrower acknowledges and agrees that the Lender may commence legal action or proceedings in jurisdiction other than Hong Kong arising out of or relating to this Agreement as it may consider appropriate.

21.3 No Limitation on Right of Action

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

21.4 Waiver, Final Judgment Conclusive

The Borrower irrevocably and unconditionally waives any objection which it may now or hereafter have to the choice of Hong Kong as the venue of any legal action arising out of or relating to this Agreement and agrees not to claim that any court thereof is not a convenient or appropriate forum. The Borrower also agrees that a final judgment against it in any such legal action shall be final and conclusive and may be enforced in any other jurisdiction, and that a certified or otherwise duly authenticated copy of the judgment shall be conclusive evidence of the fact and amount of its indebtedness.

21.5 Waiver of Immunity

The Borrower irrevocably and unconditionally waives any immunity to which it or its property may at any time be or become entitled, whether characterised as sovereign immunity or otherwise, from any set-off or legal action in Hong Kong or elsewhere, including immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of its property from attachment prior to judgment or from execution of a judgment.

**IN WITNESS** whereof this Agreement has been duly executed by the parties hereto.

**EXECUTION PAGE**

Signed by )  
 )  
for and on behalf of **ROSSONERI SPORT** )  
**INVESTMENT COMPANY LIMITED:** )

Signature .....

Signature of witness .....

Name of witness .....

Address of witness .....

.....  
.....

Occupation of witness .....

Signed by *Ngai Mei* )  
 )  
for and on behalf of **GREAT EARN** )  
**INTERNATIONAL LIMITED:** )

Signature .....

Signature of witness .....

Name of witness .....

Address of witness .....

*Stanley*  
*CHANG CHI WAI STANLEY*  
*Suites 2005-2006, 20/F,*  
*Tower 6, Harbour City, The Gateway,*  
*Tsim Sha Tsui, Kowloon, Hong Kong*

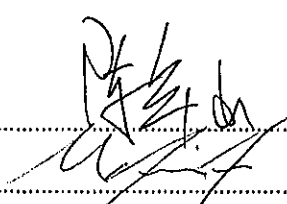
Occupation of witness .....

*Company Secretary*



**EXECUTION PAGE**

Signed by *Chen Hui-shan* )  
 )  
for and on behalf of **ROSSONERI SPORT** )  
**INVESTMENT COMPANY LIMITED:** )

Signature .....   
Signature of witness .....  
Name of witness ..... *Yu Melvin Shun-Ho*  
Address of witness ..... *3701-10, 37/F, Jadevine House,*  
*1 Connaught Place, Central,*  
*Hong Kong*  
Occupation of witness ..... *Trainee Solicitor*

Signed by )  
 )  
for and on behalf of **GREAT EARN** )  
**INTERNATIONAL LIMITED:** )

Signature .....  
Signature of witness .....  
Name of witness .....  
Address of witness .....  
Occupation of witness .....

APPENDIX 1

PART I

FORM OF NOTICE OF DRAWING

From: [Rossoneri Sport Investment Company Limited]

To: [Great Earn International Limited]

Date: [\*]

Dear Sirs,

**Re: US\$8,300,000 loan Agreement dated [\*] 2017 entered into between [Rossoneri Sport Investment Company Limited] as borrower and [Great Earn International Limited] as lender (the "Loan Agreement")**

We refer to the above Loan Agreement, and hereby give notice that we wish to draw an amount of US\$8,300,000.00 of the Advance (the "**Drawdown Amount**") under the Facility on [\*] 2017, that is, the Drawdown Date.

The proceeds of the Drawdown Amount are to be used exclusively for the purposes specified in the Loan Agreement.

The Drawdown Amount should be advanced by wire transfers to the following bank account:

Bank	[-]
Bank address	[-]
Account holder	[-]
Account number	[-]
SWIFT	[-]

We confirm that:

- (a) the representations and warranties set out in clause 11.1 of the Loan Agreement, repeated with reference to the facts and circumstances subsisting as at the date of this notice, remain true and correct;
- (b) no Event of Default or prospective Event of Default has occurred which remains unwaived or unremedied or would result from the making of the Drawdown Amount; and
- (c) each of the conditions precedent set forth in Clause 3.1 of the Loan Agreement have been fulfilled.

Terms defined in the Loan Agreement have the same meanings when used in this notice.

\_\_\_\_\_  
Rossoneri Sport Investment Company Limited

APPENDIX 1

PART II

ACKNOWLEDGEMENT OF RECEIPT

Date: \_\_\_\_\_

To: [Great Earn International Limited]

Date: [\*]

Dear Madam,

**Re: US\$8,300,000.00 loan Agreement dated [\*] 2017 entered into between Rossoneri Sport Investment Company Limited as borrower and [Great Earn International Limited] as lender (the "Loan Agreement")**

We hereby acknowledge receipt of payment in cash in the amount of US\$8,300,000.00 paid by your company in accordance with the Notice of Drawing given by us under the Loan Agreement.

Yours faithfully,

\_\_\_\_\_  
Rossoneri Sport Investment Company Limited

APPENDIX 2

FORM OF THE SHARE CHARGE

**DATED 28 August 2017**

Li Yong Hong

(as "Chargor")

and

Great Earn International Limited

(as "Lender")

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**Deed of Share Charge**

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**THIS DEED** is made on the 28<sup>th</sup> day of August, 2017

**BETWEEN:**

- (1) Li Yong Hong, holder of passport number K02200520 whose address is at Flat B, 35/F, Blk 2, Harbour Front, Landmark, No. 11 Wah Hoi St, Kowloon, Hong Kong ("**Chargor**");
- (2) Great Earn International Limited, a company incorporated in Hong Kong with limited liability, having its registered address at Suites 2005-2006, 20/F., The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong (the "**Lender**").

**WHEREAS:**

- (A) By a loan agreement ("**Loan Agreement**") dated 28 August 2017 and made between the Borrower as borrower and the Lender as lender, the Lender has agreed to make available to the Borrower a loan facility in the aggregate principal amount of US\$8,300,000.00 upon the terms set out therein.
- (B) This Deed constitutes one of the Security Documents as referred to in the Loan Agreement as security for the Obligors' obligations under the Loan Agreement and any other Security Documents to which it is a party.

**NOW THIS DEED WITNESSES** as follows:

**1. INTERPRETATION**

- 1.1. In this Deed, unless the context requires otherwise, terms and expressions defined in or construed for the purposes of the Loan Agreement shall have the same meanings or be construed in the same manner when used in this Deed, and the following words and expressions shall have the following meanings:

<b>"Borrower"</b>	means Rossoneri Sport Investment Company Limited, a company incorporated in Hong Kong, with registered office at Units 2703-6, 27/F, Convention Plaza Office Tower, 1 Harbour Road, Wanchai, Hong Kong;
<b>"Charged Securities"</b>	means the Share, and those stocks, shares, warrants and other securities, rights, monies and other property referred to in Clause 2.3 and, where the context permits, includes the Dividends paid or payable thereon and stocks and shares (and dividends thereon), rights, monies and property accruing or offered at any time by way of substitution, redemption, bonus, preference, option or otherwise to the same or in respect thereof;
<b>"Company"</b>	Rossoneri Advance Co., Limited, a company incorporated in the British Virgin Islands with limited liability, having its registered address at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands;
<b>"Dividends"</b>	means all dividends, interest and other monies which are or may become payable or paid in respect of the Charged Securities and includes:

- (i) the right to receive any and all such sums and all claims in respect of any default in paying such sums; and
- (ii) all forms of remittance of such sums and any bank or other account to which such sums may be paid or credited;

**"Loan Agreement"** has the meaning ascribed to it under Recital (A) as it may be amended and supplemental from time to time;

**"Secured Liabilities"** means all and any sums (whether principal, interest, fees or otherwise), obligations and liabilities which are or at any time may become payable by the Obligors to the Lender under the Loan Agreement or any other Security Documents to which it is a party and all other monies hereby secured; and

**"Share"** 1 share of in the capital of the Company, representing 100% of the entire issued share capital of the Company legally and beneficially owned by the Chargor.

- 1.2 The expressions "**Chargor**" and "**Lender**" shall where the context permits include their respective successors and permitted assigns and any persons deriving title under them.
- 1.3 The term "**Receiver**" shall have the meaning ascribed to it in Clause 10.1 and the term "**Delegate**" means a delegate or sub-delegate appointed under Clause 12.
- 1.4 Save as otherwise expressly stated herein, references to any statute or statutory provision includes a reference to that statute or statutory provision as from time to time amended, extended, replaced or re-enacted.
- 1.5 In this Deed, references to:
  - (i) Recitals, Clauses and Schedules are to the recitals, clauses and schedules of this Deed;
  - (ii) the singular includes the plural and vice versa;
  - (iii) words importing gender or the neuter includes both genders and the neuter; and
  - (iv) "persons" include bodies corporate or unincorporate.
- 1.6 Headings are for convenience only and shall not affect the interpretation of this Deed.

## **2. CHARGE OF SHARES**

- 2.1. In consideration of the Lender agreeing to enter into the Loan Agreement and agreeing to make the Facility available to the Borrower upon and subject to terms and conditions of the Loan Agreement, the Chargor as legal and beneficial owner hereby charges by way of first fixed charge the Charged Securities to the Lender as a continuing security for the due and punctual payment and discharge by the Obligors of the Secured Liabilities and the due and punctual performance and observance by the Obligors of all

other obligations of the Obligors contained in the Loan Agreement or any other Security Documents to which it is a party.

- 2.2. For the purpose of enabling the Lender to exercise its rights under this Deed, the Chargor undertakes forthwith upon the execution and delivery of this Deed, it shall deliver or procure that copies there be delivered to the Lender and the originals or certified copies (in relation to the document set out in clause 2.2(c) only) to be delivered by no later than seven (7) Business Days after the execution and delivery of this Deed:
- (a) the certificates and other documents of title in respect of the Charged Securities (together with undated instruments of transfer and (if applicable) contract notes in respect thereof duly executed in blank and undated;
  - (b) a written notification to the Company's registered agent in relation to the creation of Security under this Deed;
  - (c) a copy of the register of members of the Company containing an annotation as set out in Clause 7.4 below to indicate that the Share have been charged by the Chargor to the Lender pursuant to this Deed, certified by a director of the Company as a true copy within seven (7) Business Days from the date of this Deed;
  - (d) the signed but undated letters of resignation of the sole director of the Company;
  - (e) the signed and dated letters of authority and undertaking from the sole director of the Company authorising the Lender to date the letters referred to in sub-clause (d) above and the resolutions in paragraph (f) below and undertaking to approve transfer of Share to or in favour of the Lender and/or its nominee;
  - (f) the signed but undated resolutions of the sole director of the Company approving the resignation of directors and the appointment of persons nominated by the Lender as directors of the Company; and
  - (g) and other documents as may be required by the Lender duly executed by the relevant parties thereto (if applicable) also in blank and undated) to transfer and register the Charged Securities in the name of the Lender or its nominee.
- 2.3. The Chargor declares and agrees that the security constituted by this Deed shall, subject as provided in Clauses 7 and 8, extend to and include all Dividends and all stocks, shares, warrants and other securities (and the Dividends in respect thereof), rights, monies or other property accruing or offered at any time by way of redemption, substitution, bonus, preference, option or otherwise to or in respect of any of the Charged Securities and all allotments, accretions, offers, rights, benefits and advantages whatsoever at any time accruing, made, offered or arising in respect of any of the same. If the Chargor shall acquire any such other stocks, shares warrants or other securities as aforesaid, it shall forthwith deliver or procure that there be delivered to the Lender the certificates and other documents of title in respect thereof (together with instruments of transfer and (if applicable) contract notes duly executed in blank and undated, and other documents as may be required by the Lender duly executed by the relevant parties thereto (if applicable) also in blank and undated), to enable the same to be transferred and registered in the name of the Lender or its nominee.
- 2.4. The Chargor agrees that, at any time after the date hereof, the Lender may, at the cost of the Chargor, transfer and register all or any part of the Charged Securities in the name of the Lender or its nominee and, for such purpose, complete the instruments of transfer, (if applicable) contract notes and other documents delivered to the Lender pursuant to Clauses 2.2 above and date the same.
- 2.5. Nothing in this Deed shall be construed as placing on the Lender any liability whatsoever in respect of any calls, installments or other payments relating to any of the Charged



Securities or any rights, shares or other securities accruing, offered or arising as aforesaid, and the Chargor shall pay all calls, installments or other payments due and payable in respect of any of the Charged Securities and any rights, shares and other securities accruing, offered or arising as aforesaid. If the Chargor fails to do so, the Lender may (but shall not be obliged to) pay the calls, installments or other payments due and payable in respect thereof on behalf of the Chargor and the Chargor shall forthwith on demand reimburse and indemnify the Lender for all calls, installments or other payments made by the Lender pursuant to this Clause 2.5.

- 2.6. The Chargor shall be responsible and liable in respect of all conditions and obligations assumed by it in respect of any of the Charged Securities (including, but not limited to, conditions and obligations assumed by it by reason of any of the Charged Securities being listed or traded or quoted in whatever capacity on any stock exchange in any part of the world) and the Lender shall not be obliged to carry out any such condition or obligation. Without prejudice to the foregoing provisions, the Chargor shall promptly comply with all disclosure, filing and registration requirements in accordance with the constitutional documents of the company or companies whose stock, shares, warrants or other securities are included in the Charged Securities and with laws, rules and regulations applicable to it or any of the Charged Securities by reason of any of the Charged Securities being listed or traded or quoted in whatever capacity on any stock exchange in any part of the world and, if it fails to do so, the Lender may (but shall not be obliged to) elect to provide such information as it may have on behalf of the Chargor.
- 2.7. The security constituted by this Deed is in addition to and is not in anyway prejudiced by any other security now or subsequently held by the Lender for the purpose specify in Clause 2.1.

### **3. DIVIDENDS, VOTING AND OTHER RIGHTS**

- 3.1. Prior to the security constituted by this Deed becoming enforceable, the Chargor shall be entitled to receive the Dividends. Upon and at any time after security constituted by this Deed becomes enforceable, the Lender shall receive and retain the Dividends and apply the Dividends as though they were the proceeds of sale under this Deed.
- 3.2. The Lender agrees with the Chargor that, prior to the security constituted by this Deed becoming enforceable, the Chargor reserves the right to exercise or cause to be exercised all voting and other rights and powers attaching to the Charged Securities in such manner as the Chargor thinks fit except to the extent which, in the opinion of the Lender, will adversely affect the market value of the all or any part of the Charged Securities or the ability of the Lender to maintain, perfect, protect or realise the security constituted by this Deed. Upon and at any time after security constituted by this Deed becomes enforceable, the Chargor's right to exercise or abstain from exercising all voting and other rights and power in respect of the Charged Securities shall cease and the Lender shall have absolute discretion to exercise or abstain from exercising all voting and other rights and powers in respect of the Charged Securities as legal and beneficial owner thereof to the exclusion of the Chargor and any other person without being liable for any losses which the Chargor or any other person may suffer as a result thereof.
- 3.3. Where any of the Charged Securities have been transferred to the Lender or its nominees and subject to the Lender being satisfied that the proposed exercise of voting rights and other rights and powers will not, in the opinion of the Lender adversely affect the market value of all or any part of the Charged Securities or the ability of the Lender to maintain, perfect, protect or realise the security constituted by this Deed, the Lender agrees that, until the security constituted by this Deed becomes enforceable, it will use its reasonable endeavours to comply with or procure the compliance with any directions of the Chargor in respect of the exercise of such voting rights and other rights and powers and, if the Chargor shall so require (but at the expense of the Chargor) to

deliver promptly a form of proxy or other authority (in each case in the form reasonably required by the Chargor and acceptable to the Lender) appointing such person acceptable to the Lender as the Chargor may select to exercise such voting rights and other rights and powers.

#### **4. CONTINUING SECURITY**

This Deed shall be a continuing security and shall remain in full force and effect until (i) the unconditional and irrevocable payment in full of the Secured Liabilities and no amount of the Secured Liabilities may thereafter become payable, and (ii) the full and effective performance by the Obligors of all their obligations contained in the Loan Agreement and other Security Documents to which it is a party to the satisfaction of the Lender, notwithstanding any act, omission, event or circumstances whatsoever, including the liquidation, insolvency death, disability or bankruptcy or any incapacity or limitation of the Obligors or any other person or any change in the constitution or status of the Obligors or any partial payment, intermediate settlement of account or other matter whatsoever.

#### **5. DISCHARGE**

Upon (i) the unconditional and irrevocable payment in full of all the Secured Liabilities and no amount of the Secured Liabilities may thereafter become payable, (ii) the full and effective performance by the Obligors of all their obligations contained in the Loan Agreement and other Security Documents to which it is a party to the satisfaction of the Lender, and (iii) the Lender having no further obligation under the Loan Agreement or any other Security Documents, the Lender shall, at the request and cost of the Obligors, and in such form as the Lender shall approve, discharge the security created by this Deed.

## 6. REPRESENTATIONS AND WARRANTIES

- 6.1. The Chargor represents and warrants to the Lender that:
- 6.1.1. the Chargor has full power, authority and legal right to enter into and engage in the transactions contemplated by this Deed and to perform and observe its obligations hereunder;
  - 6.1.2. this Deed constitutes legal, valid and binding obligations of the Chargor enforceable in accordance with its terms and is in proper form for its enforcement in the courts of Hong Kong or the British Virgin Islands or the United States of America or any other relevant jurisdictions (including, but not limited to, jurisdiction which any of the Charged Securities is listed or quoted or traded);
  - 6.1.3. neither the execution of this Deed nor the performance by the Chargor of any of its obligations or the exercise of any of its rights hereunder will conflict with or result in a breach of any law, regulation, judgment, order, authorisation, agreement or obligation applicable to it or cause any limitation placed on it or result in the creation of or oblige the Chargor to create a Charge in respect of the Share (except in favour of the Lender under or pursuant to this Deed);
  - 6.1.4. all authorisations required from any governmental or other authority or from any other person for or in connection with the execution, validity and performance of this Deed have been obtained and are in full force and effect, and all actions, conditions and things required to be taken, fulfilled and done (including the obtaining of any necessary consents, authorisations and approvals) in order:
    - (i) to enable the Chargor lawfully to enter into, exercise its rights and perform and comply with its obligations under this Deed;
    - (ii) to ensure that those obligations are legally binding, valid and enforceable;
    - (iii) to make this Deed admissible in evidence in the courts of Hong Kong or the British Virgin Islands or United States of America or any other relevant jurisdictions (including, but not limited to, jurisdictions which any of the Charged Securities is listed or traded or quoted);have been taken, fulfilled and done and are in full force and effect;
  - 6.1.5. the Chargor's obligations under this Deed are and shall be its direct, unconditional and general obligations and rank at least pari passu with all its other present and future unsecured and unsubordinated obligations and other obligations;
  - 6.1.6. no litigation, arbitration or administrative proceeding is currently taking place or pending or, to the knowledge of the Chargor, threatened against the Chargor or its property and assets;
  - 6.1.7. it is not necessary in order to ensure the validity, enforceability, priority or admissibility in evidence in proceedings of this Deed in Hong Kong or any other relevant jurisdictions (including, but not limited to, jurisdictions which any of the Charged Securities is listed or traded or quoted) that it or any other document be filed or registered with any authority in Hong Kong, the British Virgin Islands or any other relevant jurisdictions as aforesaid or that any tax or fee be paid in respect thereof;
  - 6.1.8. the particulars of the Share set out in Schedule 1 are accurate and all the Share have been validly issued and are fully paid up;

- 6.1.9. (i) the Share represent the entire issued share capital of The Company that carries voting rights, are issued, allotted and fully paid up in cash or credited as fully paid up and, other than the security created herein, the Charged Securities are and shall be and remain free from Encumbrance; and
- (ii) all stocks, shares, warrants or other securities comprising part of the Charged Securities (including the Share) are and shall be fully paid up or credited as fully paid up when issued and allocated;
- 6.1.10. there are no provisions, expressed or implied, contained in any legislation, rules or regulation applicable to the company or companies whose stocks, shares, warrants or other securities are included in the Charged Securities or in the memorandum and articles of association of such company or companies whereby the transfer of all or any part of the Charged Securities or the charge of all or any part of the Charged Securities to the Lender contained in this Deed is in any way prohibited or restricted;
- 6.1.11. subject to this Deed, the Chargor is the sole legal and beneficial owner of the Charged Securities which are capable of being transferred to any party for consideration or otherwise and the Chargor has good and marketable title thereto;
- 6.1.12. other than agreements entered into with the Lender (or its affiliates), the Chargor has not granted in favour of any other person any interest in or any option or other rights in respect of any of the Charged Securities;
- 6.1.13. 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;
- 6.1.14. the Chargor has not granted in favour of any person any interest in or any option or other rights in respect of any of the Charged Securities;
- 6.1.15. no litigation, administrative, governmental or arbitral proceeding affecting the Chargor is presently pending nor is there any other litigation, administrative, governmental or arbitral proceeding presently threatened against the Chargor which will restrain the Chargor's entering into or performance of his obligations under this Deed; and
- 6.1.16. except in accordance with the provisions of this Deed and the Finance Documents giving rise to the Secured Liabilities, the Chargor has not sold or granted any rights of pre-emption over or agreed to sell or grant any right of pre-emption over or otherwise disposed of or agreed to dispose of, the benefit or all or any of his rights, titles and interests in and to the Charged Securities or any part thereof.
- 6.2. The Chargor also represents and warrants to and undertakes with the Lender that the foregoing representations and warranties will be true, accurate and not misleading in any respect throughout the continuance of this Deed with reference to the facts and circumstances subsisting from time to time.
- 6.3. The Chargor acknowledges that the Lender has entered into this Deed in reliance upon the representations and warranties contained in this Clause.

## **7. UNDERTAKINGS**

- 7.1. The Chargor undertakes and agrees with the Lender throughout the continuance of this Deed that the Chargor will, unless with the prior consent of the Lender in writing:
- 7.1.1. not create or attempt or agree to create or permit to arise or exist any Security

- over all or any part of the Charged Securities or any interest therein or otherwise assign, deal with or dispose of all or any part of the Charged Securities (except under or pursuant to this Deed);
- 7.1.2. not grant in favour of any other person any interest in or any option or other rights in respect of any of the Charged Securities;
  - 7.1.3. take, or procure that such are taken, all actions, conditions and things required to be taken, fulfilled and done as are referred to in Clause 6.1(d), immediately take such other steps (and immediately notify the Lender of the taking of such steps) which may become necessary or advisable for the purposes mentioned in Clause 6.1(d), comply with all conditions and restrictions (if any) imposed in connection with any of the foregoing and maintain or accomplish any filing or registration which may be or become necessary or advisable for such purposes;
  - 7.1.4. forthwith notify the Lender in writing of any such litigation, arbitration or administrative proceedings which are brought by or against it or against any of its assets or which are threatened by or against it or against any of its assets;
  - 7.1.5. subject to the provisions of this Deed, at all times remain the legal and beneficial owner of the Share free from Encumbrance;
  - 7.1.6. do or permit to be done every act or thing which the Lender may from time to time require for the purpose of maintaining, protecting, perfecting and/or enforcing the rights of the Lender hereunder and the security constituted by this Deed and, in relation such stocks, shares, warranties or other securities included in the Charged Securities relating to the Company, on the register of members of the Company;
  - 7.1.7. procure that no amendment or supplement is made to its constitutional documents and the constitutional documents of the Company except as may be required by laws, rules and regulations applicable to it or the Company;
  - 7.1.8. not do or cause or permit to be done anything which may in any way depreciate, jeopardise or otherwise prejudice the value of the Charged Securities;
  - 7.1.9. comply, and procure the compliance with, the requirements of all applicable laws and rules, regulations, orders and decrees of any administrative, governmental or judicial authority or organisation or body which, in all cases, may affect in any way its ability to perform its obligations under this Deed;
  - 7.1.10. notify the Lender in writing, as soon as it becomes aware of the same, of any adverse change in the business, assets, liabilities, profits, prospects or condition of the Company;
  - 7.1.11. at all times remain financially solvent so that it is able to pay all of its debts as and when they fall due, where any grace period is specified, within such specified grace period (except where the same are being contested in good faith and, in the opinion of the Lender, on reasonable grounds) and shall carry on and conduct its affairs and business in a proper manner;
  - 7.1.12. provide or procure the provision to the Lender of any information pertaining to its business and financial position and pertaining to the business and financial position of the Company as the Lender may require from time to time; and
  - 7.1.13. procure that the Company shall carry on business in its usual and ordinary course and shall not dispose of its assets otherwise than negotiated on an arm's length basis and on normal commercial terms.
- 7.2. The Chargor shall immediately upon the execution of this Deed make all such disclosure, filings and registrations, and to take all such other steps, as may in the opinion of the Lender be necessary or desirable to perfect, protect, prioritise and maintain the security constituted hereby or intended to be constituted hereby.

- 7.3. The Chargor hereby declares that it shall not challenge the validity of any deeds, charges, assignments, instruments, notices or documents executed on its behalf by the Lender or its attorney by virtue of the provisions hereof, to the intent that all such deeds, charges, assignments, instruments, notices and documents shall be as good, valid and effectual as if the same had been duly and properly executed by it and it hereby undertakes to ratify and confirm all such deeds, charges, assignments, instruments notices and documents lawfully executed by virtue of the authority and powers hereby conferred.
- 7.4. The Chargor shall immediately upon the execution of this Deed procure that the following notation is entered into the share register of the Company maintained at its registered office in Hong Kong:

"The one share issued as fully paid and registered in the name of Li Yong Hong, is charged in favour of Great Earn International Limited pursuant to a deed of share charge dated 28 August 2017."

## **8. SECURITY ENFORCEABLE**

Upon the occurrence of an Event of Default , the security constituted by this Deed shall become immediately enforceable and the Lender may declare the security constituted by this Deed to be enforceable whereupon the Lender may at any time thereafter and in its absolute discretion enforce such security and take any and all steps available pursuant to this Deed and by law to enforce such security as it sees fit.

## **9. ENFORCEMENT OF SECURITY**

- 9.1. Upon or at any time after the security constituted by this Deed has become enforceable, the Lender or any Receiver or any Delegate may, without further notice or authority:
- (a) take possession of and hold all or any part of the Charged Securities and to transfer and register all or any part the Charged Securities in its name or in the name of its nominee or in the name of any purchaser(s) thereof (to the extent not already done so) and for such purpose, complete the instruments of transfer, (if applicable) contract notes and other documents delivered to the Lender pursuant to Clauses 2.2 and 2.3 and date the same;
  - (b) sell or otherwise dispose of all or any part of the Charged Securities; and/or
  - (c) sell or otherwise dispose of all or any of the Lender's rights to the Charged Securities,

in such manner, at such time or times and for such consideration (whether payable or deliverable immediately or by installments) as the Lender or any Receiver or any Delegate in its absolute discretion may think fit and the Lender or any Receiver or any Delegate shall apply the proceeds of any such sale or disposition in or towards the discharge of the costs and expenses thereby incurred and thereafter in accordance with Clause 11 in such manner as it in its absolute discretion thinks fit and so that the Charged Securities (or any part thereof) may be sold or dispose of (a) subject to any conditions which the Lender or any Receiver or any Delegate may think fit to impose, (b) to any person (including any person connected with the Lender, the Chargor or the Chargor or any other parties to the Security Documents), and (c) at any price which the Lender or any Receiver or any Delegate in its absolute discretion considers to be the best obtainable in the circumstances. In any such sale or disposal, the Lender may itself purchase the whole or any part of the Charged Securities free from any rights of redemption on the part of Chargor which are hereby waived and released.

- 9.2. At any time after the security constituted by this Deed has become enforceable, any Dividends which have been or may be received or receivable by the Lender or any Receiver or any Delegate may be applied by the Lender or any Receiver or any Delegate as though they were proceeds of sale hereunder and the Chargor shall procure all payments of Dividends shall be paid to the Lender or as it may direct and pending payment to the Lender or such person as it may direct shall hold all such amounts upon trust for the Lender and shall be applied as though they were the proceeds of sale under this Deed.
- 9.3. The Lender or any Receiver or any Delegate is authorised to give a good discharge for any moneys received by it pursuant to the exercise of its power of sale hereunder or by law and a purchaser shall not be bound to enquire whether the power of sale has arisen as provided herein or by law nor be concerned with the manner of application of the proceeds of sale.
- 9.4. The Chargor shall not have any claim against the Lender or any Receiver or any Delegate in respect of any loss arising out of any such sale or any postponement thereof howsoever caused and whether or not a better price could or might have been obtained upon the sale of the Charged Securities or any of them by deferring or advancing the date of such sale or otherwise howsoever.
- 9.5. The Chargor acknowledges that it shall not be entitled to exercise and hereby waives any rights of pre-emption or similar rights conferred to it which it may have under the constitutional documents of the Company or companies whose stocks, shares, warranties or other securities are included in the Charged Securities or otherwise to purchase the Charged Securities or any of them in the event that they are sold or otherwise disposed of pursuant to the power of sale contained hereunder or by law .
- 9.6. The Chargor agrees that, upon any sale or disposal of the whole or any part of the Charged Securities which the Lender shall make or purport to make under the provisions hereof, a statement in writing from the Lender or any Receiver or any Delegate that the security has become enforceable and that the power of sale has become exercisable shall be conclusive evidence of the fact in favour of any purchaser or other person to whom any of the Charged Securities may be transferred and such purchaser or other person shall take the same free of any rights of the Chargor. The Chargor hereby undertakes to indemnify the Lender against any claim which may be made against the Lender by such purchaser or any other person by reason of any defect in its title to the Charged Securities or by reason of such statement in writing by the Lender or any Receiver or any Delegate being challenged or objected to.

## **10. RECEIVER AND ITS POWER**

- 10.1. At any time after the security constituted by this Deed has become enforceable, the Lender may in writing either under seal or under the hand of a duly authorised officer of the Lender and without notice to the Chargor, appoint any person or persons to be a receiver or receiver and manager of the whole or any part of the Charged Securities (each such person referred to in this Deed as a "**Receiver**") and may from time to time fix his or their remunerations and may remove any Receiver so appointed and appoint another in his place. Where more than one Receiver is so appointed, any reference in this Deed to a Receiver shall apply to both or all of the Receivers so appointed and the appointment shall be deemed to be a joint and several appointment so that the rights, powers, authorities and discretions vested in the Receiver may be exercised jointly by the Receivers so appointed or severally by each of them.
- 10.2. The foregoing powers of appointment of a Receiver shall be in addition to, and not to the prejudice of, all statutory and other powers of appointment of the Lender and all such powers of appointment shall be and remain exercisable by the Lender in respect of any

part of the Charged Securities in respect of which no appointment of a Receiver shall from time to time be subsisting and notwithstanding that an appointment under the provisions of this Clause 10 shall have subsisted and been withdrawn in respect of that property or shall be subsisting in respect of any other part of the Charged Securities.

- 10.3. Every Receiver shall be deemed at all time and for all purposes to be the agent of the Chargor and the Chargor shall be solely responsible (i) for the Receiver's contracts, engagements, acts, defaults omissions and losses and for liabilities incurred by such Receiver which the Lender shall not incur any liability therefor for whatever reason, and (ii) for the Receiver's remuneration, and the Receiver shall have all the powers conferred from time to time on mortgagees or receivers by law or otherwise (but without the restrictions imposed by any ordinance or other statutory provision in relation to the exercise of any power of sale or consolidation) and power on behalf and at the cost of the Chargor (notwithstanding any liquidation insolvency, death, disability or bankruptcy or any incapacity or limitation of the Chargor) to do or omit to do anything which the Chargor could do or omit to do in relation to the Charged Securities or any part thereof.
- 10.4. The Receiver shall in the exercise of the Receiver's rights, powers, authorities and discretions conform to the directions and regulations from time to time given or made by the Lender.
- 10.5. To the fullest extent permitted by law, all or any of the rights, powers, authorities and discretions which are conferred by this Deed (either expressly or impliedly) or by law upon a Receiver of the Charged Securities may be exercised after the security constituted by this Deed has become enforceable by the Lender in relation to the whole of the Charged Securities or any part thereof without first appointing a Receiver of such property or any part thereof or notwithstanding the appointment of a Receiver of such property or any part thereof.
- 10.6. The rights, powers, authorities and discretions of the Lender or any Receiver or any Delegate hereunder shall be construed in the widest possible sense to the intent that the Lender or any Receiver or any Delegate shall be afforded as wide and flexible a range of rights, powers, authorities and discretions as possible.

## **11. APPLICATION OF PROCEEDS**

The Lender or any Receiver or any Delegate shall apply the proceeds of any sale or disposal of the Charged Securities and apply all monies received by it in relation the Charged Securities including the Dividends (but without prejudice to the right to the Lender to recover any shortfall from Chargor):

- (a) firstly, in payment or satisfaction of all costs, charges, expenses and liabilities incurred and payments made by or on behalf of the Lender or any Receiver, attorney, agent, delegate, sub-delegate or other person appointed by the Lender under this Deed in the execution or purported execution of any rights, powers, authorities, duties and discretions vested in him or it pursuant to this Deed (including, without limitation to the foregoing, the remuneration of any Receiver or such other person);
- (b) secondly, in payment of the Secured Liabilities which shall have then fallen due and not been paid in such manner as the Lender shall determine;

and the surplus (if any) after the payment of (a) and (b) above and all other Secured Liabilities in full shall be paid to the Chargor or other persons entitled thereto.

## **12. AGENT AND DELEGATION**



- 12.1. In the exercise of its rights, powers, authorities and discretions under this Deed, the Lender or any Receiver or any Delegate shall be the agent of the Chargor for all purposes and, subject to the law of any applicable jurisdiction, the Chargor alone shall be responsible for those contracts, engagements, acts, omissions, defaults and losses and for liabilities incurred by the Lender or any Receiver or any Delegate in the exercise of such rights, powers, authorities and discretions provided that the Chargor shall not be responsible for the wilful default or gross misconduct of the Lender or any Receiver or any Delegate.
- 12.2. The Lender may whenever it thinks fit delegate by power of attorney or in any other manner to any person or persons or fluctuating body of persons (whether being a joint trustee hereof or not), all or any of the rights, powers, authorities and discretions vested in the Lender or in connection with the Charged Securities and such delegation may be made upon such terms and conditions including powers to sub-delegate and subject to such regulations as the Lender may think fit and the Lender shall not be bound to supervise the proceedings or be responsible for any loss incurred by reason of any misconduct or default on the part of any such delegate or sub-delegate provided that the Lender shall have exercised reasonable care in the selection of such delegate.

### **13. LIABILITY OF LENDER, RECEIVERS AND DELEGATES**

Neither the Lender nor any Receiver shall in any circumstances (either by reason of taking possession of the Charged Securities or for any other reason whatsoever and whether as mortgagee or receivers in possession or on any other basis whatsoever):

- (a) be liable to account to the Chargor or any other person for any thing except the Lender's own actual receipts, if any, to which the Chargor is entitled which have not been distributed or paid to the Chargor or the persons entitled or at the time of payment believed by the Lender to be entitled thereto; or
- (b) be liable to the Chargor or any other person for any costs, charges, losses, liabilities or expenses arising from or connected with any realisation by the Lender or any Receiver of the Charged Securities or from any act or omission of the Lender or any Receiver, their respective directors, officers, employees or agents in relation to the Charged Securities or from any exercise or non-exercise by the Lender or any Receiver of any rights, powers, authorities, duties and discretions exercisable by it under this Deed or by law unless they shall be caused by the Lender's or any Receiver's own wilful default or gross misconduct.

All the provisions of this Clause 13 shall apply in respect of the liability of any Delegate in all respects as though every reference in this Clause to the Lender were instead a reference to such Delegate.

### **14. CLAIMS BY THE CHARGOR**

The Chargor hereby represents to and undertakes with the Lender that it has not taken and shall not take any security in respect of its liability under this Deed from any person. If the Chargor receives any payment or benefit in breach of this Clause, the Chargor shall hold the same upon trust for the Lender as a continuing security for the Secured Liabilities and the performance by the Chargor of all its other obligations under the Loan Agreement and other Security Documents to which it is a party.

### **15. TAXES AND OTHER DEDUCTIONS**

All sums payable by the Chargor under this Deed shall be paid in full without set-off or counterclaim or any restriction or condition and free and clear of any tax or other deductions or withholdings of any nature. If the Chargor or any other person is required by any law or regulation to make any deduction or withholding (on account of tax or otherwise) from any payment, the Chargor shall, together with such payment, pay such additional amount as will ensure that the Lender receives (free and clear of any tax or other deductions or withholdings) the full amount which it would have received if no such deduction or withholding had been required. The Chargor shall promptly forward to the Lender copies of official receipts or other evidence showing that the full amount of any such deduction or withholding has been paid over to the relevant taxation or other authority.

## **16. CURRENCY**

For the purpose of the satisfaction of the Secured Liabilities or for the purpose of crediting any monies to any account or making any application therefrom, the Lender may convert any monies received, recovered or realised or subject to application by the Lender under this Deed or any monies to be credited to any such account (including the proceeds of any previous conversion under this Clause 16) from their existing currency of denomination into such other currency of denomination as the Lender may reasonably think fit and any such conversion shall be effected at the then prevailing spot selling rate of exchange quoted by a bank selected by the Lender for such other currency against the existing currency and any costs, charges, expenses or commissions incurred in effecting any such conversion shall be deducted from the proceeds of any such conversion.

## **17. COSTS, CHARGES, EXPENSES AND PAYMENT**

17.1. The Chargor shall from time to time forthwith on demand pay to or reimburse the Lender for:

- (a) all costs, charges, expenses (including legal and other fees on a full indemnity basis and duties and taxes and all other out-of-pocket expenses) incurred by the Lender in connection with the negotiation, preparation and execution of this Deed and any amendment to or extension of, or the giving of any consent or waiver in connection with, this Deed;
- (b) all costs, charges and expenses (including legal and other fees on a full indemnity basis and all other out-of-pocket expenses, duties and taxes) incurred by each of the Lender or any Receiver or any Delegate in relation to this Deed (including, but not limited to, the administration of, or in exercising any of its rights, powers authorities and discretions hereunder or in suing for or seeking to recover any sums due hereunder or otherwise maintaining or preserving or protecting or enforcing its or the Lender's rights, powers, authorities and discretions hereunder, and/or any such amendment or waiver (including internal costs and attributable overheads) or in defending any claims brought against it in respect of this Deed or in discharging this Deed in accordance with the provisions of Clause 5); and
- (c) all stamp duty, documentary, registration or similar tax payable in connection with the entry into, registration, filing or similar tax payable in connection with the entry into, registration, performance, enforcement or admissibility in evidence of this Deed, and/or any such amendment or waiver, and shall indemnify the Lender or any Receiver or any Delegate against any liability with respect to or result from any delay in paying or omission to pay any such tax

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

## **18. INDEMNITY**

- 18.1. The Chargor shall indemnify the Lender or any Receiver any Delegate against all actions, proceedings, claims, demands, costs, charges and expenses which may be incurred, sustained or arise in respect of the non-performance or non-observance or breach of any of the representation, warranties, 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 Securities.
- 18.2. The Lender may retain and pay out of any money in the Lender's hands all sums necessary to effect the indemnity contained in this Clause and all sums payable by the Chargor under this Clause shall form part of the monies hereby secured.

## **19. FURTHER ASSURANCE**

- 19.1. The Chargor shall at any time and from time to time (whether before or after the security hereby created shall have become enforceable) sign, seal, execute and deliver such further deeds, charges, assignments instruments, notices and documents and do all such transfers, assurances, acts and things as the Lender or any Receiver or any Delegate may require over or in respect of the Charged Securities to secure all monies, obligations and liabilities hereby covenanted to be paid or hereby secured or for the purposes of, giving full effect to this Deed, maintaining, perfecting or protecting the security (and the priority thereof) constituted by or pursuant to this Deed or by law (or purported to be constituted by or pursuant to this Deed or by law) or completing any assignment of the Lender's rights, benefits or obligations hereunder or to transfer and register all or any part of the Charged Securities in the name of the Lender or its nominee or any purchaser thereof, and the Chargor shall also give all notices, orders and directions which the Lender may require.
- 19.2. Without limiting the foregoing, the Chargor agrees from time to time to execute and sign executes and signs all transfers, powers of attorney, proxies and other documents which the Lender or any Receiver or any Delegate may require for maintaining, perfecting or protecting the Lender's title to any of the Charged Securities or for vesting or enabling it to vest the same in itself, its nominee or in any purchaser including, without limitation, procuring to be duly passed such resolutions by the directors of the company or companies whose stocks, shares, warrants or other securities are included in the Charged Securities and such resolutions of such company or companies in general meetings as the Lender or any Receiver or any Delegate shall require for the purposes of approving and passing the transfer and registration of any of the Charged Securities, altering the constitutional documents of such company or companies, removing the Chargor and any directors nominated or proposed as director(s) of such company or companies and appointing new director(s) of such company or companies nominated by the Lender or any Receiver or any Delegate as replacement thereof or for such other purposes as the Lender or any Receiver or any Delegate shall from time to time require.
- 19.3. The Chargor will do or permit to be done everything which the Lender or any Receiver or any Delegate may from time to time require to be done for the purpose of enforcing the Lender's rights hereunder and will allow the name of the Chargor to be used as and when required by the Lender or any Receiver or any Delegate for that purpose.

## **20. POWER OF ATTORNEY**

The Chargor by way of security for the performance of the Chargor's obligations under this Deed hereby irrevocably appoints the Lender, every Delegate and (after the security constituted by this Deed has become enforceable) every Receiver as its attorney (with full

power of substitution), severally on its behalf and in its name or otherwise, at such time and in such manner as the attorney may think fit:

- (a) to do any thing which the Chargor is obliged to do under this Deed and which it fails to do (including to execute deeds, charges, assignments, instruments, notices, transfers and documents relating to the Charged Securities);
- (b) where required in accordance with this Deed, to complete any instrument of transfer and (if applicable) contract note and any other documents delivered to the Lender pursuant to Clauses 2.2 and 2.3 in respect of any of the Charged Securities executed or required to be executed by the Chargor and, where so required, to procure the transfer and registration of the transferee as the holder of the Charged Securities; and
- (c) generally in its name and on its behalf to sign, seal, execute, deliver, perfect and do all deeds, instruments, acts and things which may be required or which the Lender or any Receiver or any Delegate shall think proper or expedient for carrying out any duties or obligations imposed on the Chargor hereunder or for exercising all or any of the rights, powers, authorities and discretions conferred on the Lender or any Receiver or any Delegate in relation to the Charged Securities or under this Deed or by law including (but without prejudice to the generality of this provision) any rights or entitlements of the owner of the Charged Securities.

The Chargor hereby irrevocably ratifies and confirms and agrees to ratify and confirms all acts and omissions of the Lender or any Receiver or any Delegate or the Lender's attorneys acting as such attorney of the Chargor shall do in the exercise or purported exercise of the power of attorney granted by it in this Clause 20.

## **21. EVIDENCE OF DEBT**

Any statement of account purporting to show an amount due from the Chargor under this Deed, the Loan Agreement or any other Security Documents to which it is a party and signed as correct by a duly authorised officer of the Lender shall, in the absence of manifest error, be conclusive evidence of the amount so due.

## **22. SUSPENSE ACCOUNT**

- 22.1. All monies received, recovered or realised by the Lender under this Deed (including the Dividends and the proceeds of any conversion of currency) may, after the security constituted by this Deed has become enforceable, in the absolute discretion of the Lender, be credited to any suspense or impersonal account in the name of the Lender and may be held in such account for so long as the Lender may think fit pending their application from time to time (as the Lender shall be entitled to do in its absolute discretion) in or towards satisfaction of the Secured Liabilities in accordance with the terms of this Deed for the purpose of enabling Lender to maximize its recovery in any actual or potential winding up of the Chargor or any other parties to the Security Documents and in order to preserve the rights to sue or prove for the whole amounts of its claim against the Chargor or any other parties to the Security Documents. Save as provided above, no party Neither the Chargor nor any other person shall be entitled to withdraw any amount at any time standing to the credit of any such suspense or impersonal account.
- 22.2. If the Lender receives notice or is deemed to have received notice of any Charge affecting all or any part of the Charged Securities or any assignment of transfer of all or any part of the Charged Securities, the Lender may open a new account in the name of the Lender for the Chargor. Whether or not it does so it shall be treated as if it had opened a new account at the time of such breach. As from the time the Lender receives

notice or deemed to have received notice as aforesaid, all payments thereafter made by or on behalf of the Chargor to or received pursuant to this Deed by the Lender shall be credited or treated as having been credited to the new account and shall not operate in reduction of the Secured Liabilities.

- 22.3. The Chargor shall not be entitled to withdraw all or any amount standing to the credit of the suspense account referred to in Clause 22.1 or the new account referred to in Clause 22.2 until the unconditioned and irrevocable payment of the Secured Liabilities in full.

### **23. WAIVER AND SEVERABILITY**

- 23.1. No failure or delay by the Lender in exercising any right, power or remedy hereunder shall impair such right, power or remedy or operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. The rights, powers and remedies herein provided are cumulative and do not exclude any other rights, powers and remedies provided by law.
- 23.2. If at any time any provision of this Deed is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, the legality, validity and enforceability of such provision under the law of any other jurisdiction, and of the remaining provisions of this Deed, shall not be affected or impaired thereby.

### **24. MISCELLANEOUS**

- 24.1. The liabilities and obligations of the Chargor under this Deed shall remain in force notwithstanding any act, omission, event of circumstance whatsoever, until unconditional and irrevocable payment of the Secured Liabilities in full.
- 24.2. Without limiting Clause 24.1, neither the liability of the Chargor nor the validity or enforceability of this Deed shall be prejudiced, affected or discharged by:
- (a) the granting of any time or indulgence to the Chargor or any other person;
  - (b) any renewal, extension of repayment date, variation or modification of the Loan Agreement, any of the other Security Documents or any other document referred to therein;
  - (c) the invalidity or unenforceability of any obligation or liability of the Chargor or any other persons under the Loan Agreement or any of the other Security Documents;
  - (d) any invalidity or irregularity in the execution of the Loan Agreement or this Deed or any of the other Security Documents;
  - (e) any lack of capacity or deficiency in the powers of the Chargor or any other powers to enter into or perform any of its obligations under the Loan Agreement or any of the other Security Documents or any irregularity in the exercise thereof or any lack of authority by any person purporting to act on behalf of the Chargor or any other parties thereto;
  - (f) the insolvency or liquidation or bankruptcy or death or any incapacity, disability or limitation or any change in the constitution or status of the Chargor or any other persons;

- (g) any other security documents, Charge, guarantee or other security or right or remedy being or becoming held by or available to the Lender or by any of the same being or becoming wholly or partly void, voidable, unenforceable or impaired or by the Lender at any time releasing, refraining from enforcing, varying or in any other way dealing with any of the same or any power, right or remedy the Lender may now or hereafter have from or against the Chargor or any other person;
  - (h) any waiver, exercise, omission to exercise, compromise, renewal or release of any rights against the Chargor or any other persons or any compromise, arrangement or settlement with any of the same; or
  - (i) any act, omission, event or circumstance which would or may but for this provision operate to prejudice, affect or discharge this Deed or the liability of the Chargor hereunder.
- 24.3. This Deed may be enforced without the Lender first having recourse to any other security or rights or taking any other steps or proceedings against the Chargor or any other party to any Security Document or any other person or may be enforced for any balance due after resorting to any one or more other means of obtaining payment or discharge of the monies, obligations and liabilities hereby secured.
- 24.4. Notwithstanding any discharge, release or settlement from time to time between the Lender and the Chargor, if any security, disposition or payment granted or made to the Lender in respect of the Secured Liabilities by the Chargor or any other person is avoided or set aside or ordered to be surrendered, paid away, refunded or reduced by virtue of any provision, law or enactment relating to bankruptcy, insolvency, liquidation, winding-up, composition or arrangement for the time being in force or for any other reason, the Lender shall be entitled hereafter to enforce this Deed as if no such discharge, release or settlement had occurred.
- 24.5. Any amendment or waiver of any provision of this Deed and any waiver of any default under this Deed shall only be effective if made in writing and signed by the Lender.
- 24.6. This Deed may be executed by the parties to this Deed in separate counterparts, each of which when executed and delivered shall be an original but all such counterparts shall together constitute one and the same instrument.

## **25. ASSIGNMENT**

- 25.1. This Deed shall benefit and be binding on the parties, their respective successors and any permitted assignee or transferee of some or all of the party's rights or obligations under this Deed.
- 25.2. The Chargor shall not assign or transfer any of its rights and obligations hereunder.
- 25.3. The Lender may assign or transfer or grant participations in all or any part of its rights or obligations under this Deed and make disclosures in accordance with the provision of Clause 21 of the Loan Agreement.

## **26. NOTICES**

- 26.1. Each notice, demand or other communication to be given or made under this Deed shall be in writing and delivered or sent to the relevant party at its address or fax number

set out below (or such other address, fax number or email address as the addressee has by 7 Business Days prior written notice specified to the other party):

To the Chargor:           Address           : Flat/Rm 701, 7/F, Citicorp Centre, 18  
Whitfield Road, Causeway Bay, Hong Kong  
Fax Number       : (852) 25642297  
Email address    : david.han@rossoneri.com.cn

To the Lender:            Address           : Suite 2005-2006, 20/F., Tower 6, The  
Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong  
Fax Number       : (852)21167699  
Attention         : Ms. Windy Duan  
Email address    : windy.duan@teamwaygroup.com

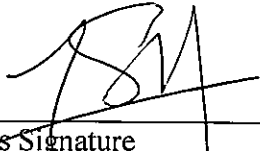
- 26.2. Any notice, demand or other communication so addressed to the relevant party shall be deemed to have been delivered (a) if given or made by letter, when actually delivered to the relevant address and (b) if given or made by fax, when despatched, provided that if such day is not a Business Day in the place to which it is sent, such notice, demand or other communication shall be deemed delivered on the next following Business Day at such place; and (c) if given or made by email or other electronic communication, only when received in legible form.

## **27. GOVERNING LAW AND JURISDICTION**

- 27.1. This Deed and the rights and obligations of the parties hereunder shall be governed by and construed in accordance with the laws of Hong Kong.
- 27.2. The Chargor irrevocably agrees for the benefit of the Lender that any legal action or proceeding arising out of or relating to this Deed may be brought in the courts of Hong Kong and irrevocably submits to the non-exclusive jurisdiction of such courts.
- 27.3. Nothing herein shall limit the right of the Lender to commence any legal action against the Chargor and/or its property and assets in any other jurisdictions or to serve process in any manner permitted by law, and the taking of proceedings in any jurisdiction shall not preclude the taking of proceedings in any other jurisdiction whether concurrently or not.
- 27.4. The Chargor irrevocably waives any immunity to which it or its property and assets may at any time be or become entitled, whether characterised as sovereign immunity or otherwise, from any set-off or legal action in Hong Kong or elsewhere, including immunity from service of process, immunity from jurisdiction of any court or tribunal, and immunity of any of its property and assets from attachment prior to judgment or from execution of a judgment.

SIGNED, SEALED AND DELIVERED  
by LI YONG HONG

in the presence of:



Witness Signature

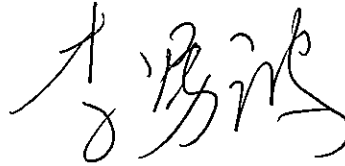
LEE Sui Har  
Solicitor, HKSAR  
JUN HE LAW OFFICES

Name Suite 3701-10 Jardine House,  
1 Connaught Place, Central, Hong Kong.  
香港中環康樂廣場1號怡和大廈3701-10室

Address

L.S

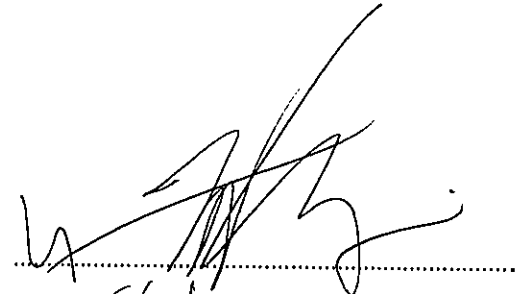
(Seal)





Signed by *Ngai Mei*  
for and on behalf of **GREAT EARN**  
**INTERNATIONAL LIMITED**

)  
)  
)  
)  
Signature



Signature of witness .....  
*Stanley*

Name of witness .....  
*CHANG CHI WAI STANLEY*

Address of witness .....  
*Suites 2005-2006, 20/F, Tower 6, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong*

Occupation of witness .....  
*Company Secretary*

Schedule 1

**Particulars of the Share**

<i>No. of Shares charged</i>	<i>Class</i>	<i>Nominal Value</i>	<i>Legal and Beneficial Owner</i>
-1-	Ordinary	US\$1.00	Li Yong Hong

**DATED 28 AUGUST 2017**

**Deed of Guarantee**

**by**

**LI YONG HONG**

as Guarantor

in favour of

**GREAT EARN INTERNATIONAL LIMITED**

as Secured Party

**THIS DEED OF GUARANTEE (this "Guarantee") is made on 28 August 2017**

**BETWEEN**

- (1) Mr. Li Yong Hong, holder of passport number K02200520 whose address is at Flat B, 35/F, B1K 2, Harbour Front, Landmark, No. 11 Wah Hoi St, Kowloon, Hong Kong (the "**Guarantor**"); and
- (2) Great Earn International Limited, a company incorporated in Hong Kong whose registered office is at Suites 2005-2006, 20/F., Tower 6, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong (the "**Secured Party**").

(The Guarantor and the Secured Party shall be referred to individually as a "**Party**", or collectively as the "**Parties**".)

**WHEREAS:**

- (A) Rossoneri Sport Investment Company Limited (the "**Borrower**") and the Secured Party have entered into a loan agreement (the "Loan Agreement") pursuant to which the Secured Party has agreed to make available a facility in an aggregate principal amount of US\$8,300,000.00 to the Borrower.
- (B) As security for the obligations of the Obligors (as defined below) under the Loan Agreement, and any other Security Documents (as defined below), the Guarantor has agreed to enter into this Guarantee in favour of the Secured Party.
- (C) It is a condition precedent to the Secured Party completing the transactions contemplated under the Loan Agreement that the Guarantor shall execute this Guarantee in favour of the Secured Party and the same is executed by the Guarantor for good and valuable consideration (the sufficiency of which the Guarantor hereby agrees and acknowledges).

**IT IS AGREED as follows:**

**1. DEFINITIONS AND INTERPRETATION**

- 1.1 Except as otherwise provided in this Guarantee, terms and expressions defined in the Loan Agreement shall have the same meanings when used in this Guarantee:

**"Guaranteed Liabilities"** means all moneys (whether principal, interest, fees or otherwise), obligations and liabilities owing or payable or expressed to be owing or payable by the Obligors to the Secured Party under or in connection with the Loan Agreement or any other Security Document; and

**"Obligors"** means the parties to the Finance Documents other than the Secured Party, and "**Obligor**" shall be construed accordingly.

- 1.2 The "Guarantor" or the "Secured Party" or any other person shall be construed so as to include its successors in title, permitted assigns and permitted transferees.

- 1.3 The headings and subtitles used in this Guarantee are used for convenience only and are not to be considered in construing or interpreting this Guarantee.

- 1.4 In this Guarantee, unless the context requires otherwise:

- 1.1.1 references to "Clauses" are references to Clause of this Guarantee; references to sub-clauses are, unless otherwise stated, references to sub-clauses of the Clause;

- 1.1.2 references to the singular shall include the plural and vice versa and references to the masculine shall include the feminine or neuter and vice versa;
  - 1.1.3 the term "or" is not exclusive;
  - 1.1.4 the terms "herein", "hereof", and other similar words refer to this Guarantee as a whole and not to any particular section, subsection, paragraph, clause, or other subdivision;
  - 1.1.5 the term "including" shall be construed to mean "including without limitation";
  - 1.1.6 the terms "shall", "will", and "agrees" are mandatory, and the term "may" is permissive;
  - 1.1.7 the term "day" means "calendar day";
  - 1.1.8 a "person" means any individual, corporation, partnership, limited partnership, proprietorship, association, limited liability company, firm, trust, estate or other enterprise or entity and to that person's legal personal representatives, successors and assigns;
  - 1.1.9 references to "assets" include present and future properties, rights and assets of every description;
  - 1.1.10 references to "indebtedness" include any obligation (whether incurred as principal or as surety) for the payment or repayment of money, whether present or future, actual or contingent;
  - 1.1.11 references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their application is modified by other provisions from time to time and shall include references to any provisions of which they are re-enactments (whether with or without modification);
  - 1.1.12 references to any document are to be construed as references to such document as amended, supplemented, extended, restated, novated and/or replaced in any manner from time to time;
  - 1.1.13 a reference to a legal term for a legal document, court, judicial process, action, remedy, legal status, official or any other legal concept, in respect of a jurisdiction other than Hong Kong, shall be deemed to be a reference to whatever most closely equates to the Hong Kong legal term in that jurisdiction; and
  - 1.1.14 the Recitals to this Guarantee form part of it and shall have the same force and effect as if expressly set out in the body of this Guarantee.
- 1.5 If the Secured Party considers that an amount paid by any Obligor to the Secured Party under a Finance Document is capable of being avoided or otherwise set aside on the liquidation or administration of such Obligor, then that amount shall not be considered to have been irrevocably paid for the purposes of this Guarantee.
  - 1.6 The Parties intend that this document shall take effect as a deed notwithstanding the fact that a Party may only execute this document under hand.
  - 1.7 Notwithstanding any terms of this Guarantee, the consent of any third party is not required for any variation (including any release or compromise of any liability) or termination of this Guarantee.

## **2. GUARANTEE**

- 2.1 The Guarantor hereby irrevocably, absolutely and unconditionally:

- 2.1.1 guarantees to the Secured Party the due and punctual observance and performance by each Obligor of all of the Guaranteed Liabilities;
  - 2.1.2 undertakes to pay to the Secured Party from time to time, upon demand by the Secured Party, any and all sums of money which any Obligor is at any time liable, or expressed to be liable, to pay to the Secured Party under or pursuant to any or all of the Security Documents and which have become, or are expressed to have become, due and payable but have not been paid at the time such demand is made as if he was the principal obligor in respect to that amount;
  - 2.1.3 agrees with the Secured Party that if, for any reason, any amount claimed by the Secured Party under this Clause is not recoverable from the Guarantor on the basis of a guarantee then the Guarantor will be liable as a principal debtor and primary obligor to indemnify the Secured Party in respect of any loss it incurs as a result of any Obligor failing to pay any amount expressed to be payable by it under a Security Document on the date when it ought to have been paid. The amount payable by the Guarantor under this indemnity will not exceed the amount he would have had to pay under this Clause had the amount claimed been recoverable on the basis of a guarantee; and
  - 2.1.4 agrees to indemnify and hold the Secured Party harmless immediately on demand for any losses directly arising out of, in connection with or as an immediate consequence of (i) the default or failure of the Obligors to pay any sum, or perform, observe, satisfy or discharge any Guaranteed Liabilities owed or to be performed by it under the Finance Documents, (ii) the fraud, misrepresentation or breach of warranties of the Obligors under any of the Finance Documents, or (iii) any Guaranteed Liabilities (or anything which would have been an obligation if not unenforceable, invalid or illegal) or term of any of the Finance Documents being or becoming unenforceable, invalid or illegal.
- 2.2 This Guarantee and indemnity is a continuing guarantee and indemnity and will extend to the ultimate balance of all sums payable by the Obligors under the Security Documents, regardless of any intermediate payment or discharge in whole or in part.
  - 2.3 The obligations of the Guarantor hereunder are absolute and unconditional, irrespective of any circumstance which might otherwise constitute a legal or equitable discharge of a surety or guarantor. The liability of the Guarantor shall be direct and not conditional or contingent on the pursuit of remedies against any person or entity. This Guarantee shall be binding upon the Guarantor and their representatives and estate. The Guarantor hereby waives any presentment, demand, notice of dishonor or non-payment, protest and notice of protest in connection with this Guarantee.

### **3. WAIVER OF DEFENCES**

- 3.1 The obligations of the Guarantor contained in this Guarantee shall be in addition to and independent of (a) every other security which the Secured Party may at any time hold in respect of any and all of the Obligors' obligations under the Security Documents and/or (b) every other source of funding (including without limitation by way of equity contribution) that any Obligor may have.
- 3.2 Neither the obligations of the Guarantor contained in this Guarantee nor the rights, powers and remedies conferred in respect of the Guarantor upon the Secured Party by this Guarantee or by law shall be discharged, impaired or otherwise affected by:
  - 3.2.1 the bankruptcy, winding-up, dissolution, administration or reorganisation of any Obligor (as the case may be) or any other person or any change in its status, function, control or ownership;
  - 3.2.2 any of the obligations of any or all of the Obligors under any or all of the Security Documents, or under any other security relating to any Finance Document being or becoming illegal, invalid, unenforceable or ineffective in any respect;

- 3.2.3 any time or other indulgence being granted or agreed to be granted to any or all of the Obligors in respect of any of their respective obligations under any Finance Document or under any other security;
  - 3.2.4 any amendment (however fundamental) to, or any variation, waiver or release of, any obligation of any or all of the Obligors under any Finance Document or under any other security;
  - 3.2.5 any failure to take or perfect, or fully to take or perfect, any security contemplated by any Finance Document or otherwise agreed to be taken in respect of the obligations of any or all of the Obligors under any Finance Document;
  - 3.2.6 any failure to realise or fully to realise the value of, or any release, discharge, exchange or substitution of, any security taken in respect of the obligations under any or all of the Obligors under any Finance Document;
  - 3.2.7 any incapacity or lack of power, authority or legal personality of or change in the status of any Obligor or any other person;
  - 3.2.8 any claims or set-off right that the Guarantor may have; or
  - 3.2.9 any other act, event or omission which, but for this Clause 3.2, might operate to discharge, impair or otherwise affect any of the obligations of the Guarantor contained in this Guarantee or any of the rights, powers or remedies conferred upon the Secured Party by any or all of the Security Documents, this Guarantee or by law.
- 3.3 Any settlement, discharge or waiver given by the Secured Party to the Guarantor in respect of the Guarantor's obligations under this Guarantee, or any release of the Guarantor from any of its obligations under this Guarantee, shall be, and be deemed always to have been, void if any act, receipt or recovery on the faith of which the Secured Party gave the Guarantor that settlement, discharge or waiver, or based on which such release is made or occurs, is subsequently avoided (in whole or in part) by or in pursuance of any provision of law. Without prejudice to the foregoing, if any payment by or recovery from any Obligor or any release or discharge given by the Secured Party (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) under or in connection with any Finance Document is avoided or reduced or (in the case of a payment by or recovery from any Obligor) is otherwise required to be refunded as a result of insolvency or any similar event or for any other reason:
- 3.3.1 the liabilities of the Guarantor under this Guarantee shall continue as if such payment, recovery, release or discharge had not occurred; and
  - 3.3.2 the Secured Party shall be entitled to receive and recover payments from the Guarantor under this Guarantee as if such payment, recovery, release or discharge had not occurred.

#### **4. IMMEDIATE RECOURSE**

- 4.1 The Secured Party shall not be obliged before exercising any of the rights, powers or remedies conferred upon it in respect of the Guarantor by this Guarantee or by law:
- 4.1.1 to make any demand of any Obligor or any other person;
  - 4.1.2 to take any action or obtain judgment in any court against any Obligor or any other person;
  - 4.1.3 to make or file any claim or proof in a winding-up or dissolution of any Obligor or any other person; or
  - 4.1.4 to enforce or seek to enforce any security taken in respect of any of the obligations of any Obligor under any Finance Document.

## **5. DEFERRAL OF GUARANTOR'S RIGHTS**

- 5.1 The Guarantor agrees that for all times until the Secured Party has confirmed in writing to the Guarantor that all amounts which may be or become payable by any or all of the Obligors under or in connection with the Security Documents have been irrevocably paid in full, the Guarantor shall not exercise any rights which the Guarantor may at any time have by reason of performance by it of its obligations under this Guarantee:
- 5.1.1 to be indemnified by any Obligor or to receive any collateral from any Obligor; and/or
  - 5.1.2 to claim any contribution from any Obligor or any Obligor's obligations under any or all of the Security Documents; and/or
  - 5.1.3 to take the benefit (in whole or in part and whether by way of subrogation or otherwise) of any rights of the Secured Party under any Security Documents or of any other security taken pursuant to, or in connection with, any Security Documents by the Secured Party;
  - 5.1.4 to bring legal or other proceedings for an order requiring any Obligor to make any payment, or perform any obligation, in respect of which the Guarantor has given a guarantee, undertaking or indemnity under Clause 2 (*Guarantee*);
  - 5.1.5 to exercise or claim any right of set-off or counterclaim against any Obligor or any other person liable or claim or prove in competition with the Secured Party in the bankruptcy or liquidation of any Obligor or any other person liable or have the benefit of, or share in, any payment from or composition with, any Obligor or any other person liable or any other security interest now or hereafter held by the Secured Party for any Guaranteed Liabilities or for the obligations or liabilities of any other person liable but so that, if so directed by the Secured Party, it will prove for the whole or any part of its claim in the liquidation or bankruptcy of any Obligor on terms that the benefit of such proof and of all of the money received by it in respect thereof shall be held on trust for the Secured Party and applied in or towards discharge of the Guaranteed Liabilities in such manner as the Secured Party shall deem appropriate; or
  - 5.1.6 to demand or accept repayment in whole or in part of any indebtedness now or hereafter due to the Guarantor from any Obligor or from any other person liable or accept any security interest in respect of the same or dispose of the same.
- 5.2 The Guarantor agrees that for all times until the Secured Party has confirmed in writing to the Guarantor that all amounts which may be or become payable by any or all of the Obligors under or in connection with the Security Documents have been irrevocably paid in full, the Secured Party may:
- 5.2.1 refrain from applying or enforcing any other moneys, security or rights held or received by the Secured Party in respect of those amounts, or apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Guarantor shall not be entitled to the benefit of the same; and
  - 5.2.2 hold in a suspense account any moneys received from the Guarantor or on account of the Guarantor's liability under this Guarantee.

## **6. REPRESENTATIONS AND WARRANTIES**

- 6.1 The Guarantor hereby represents and warrants to the Secured Party that:
- 6.1.1 he is a resident of Hong Kong and holds Hong Kong identity card;
  - 6.1.2 he has full power and legal capacity to enter into, execute and deliver this Guarantee and to undertake, perform, discharge, observe and comply with all his obligations and liabilities hereunder and the transactions contemplated hereby;



- 6.1.3 he is of full age and sound mind, fully understands the contents of this Guarantee and has obtained independent legal advice with respect to this Guarantee and the transactions contemplated hereby prior to his execution and delivery of this Guarantee;
- 6.1.4 no order has been made or receiver appointed in respect of the Guarantor under the Mental Health Ordinance (Cap. 136 of the Laws of Hong Kong) nor has any step or procedure been taken in any other jurisdiction which would restrict the Guarantor's ability or legal capacity to enter into this Deed to which he is a party or would require the approval of a third party or an authority;
- 6.1.5 he has not taken any action nor have any steps been taken or legal proceedings been started or (to the best of his knowledge and belief) threatened against him or for his bankruptcy or for the appointment of a guardian, trustee, nominee or similar officer of him or of any or all of his assets or revenues;
- 6.1.6 each of the obligations expressed to be assumed by him in this Guarantee is legal, valid, binding and enforceable against him;
- 6.1.7 the entry into and performance by him of, and the transactions contemplated by, this Guarantee do not and will not:
- (a) to enable him to lawfully enter into, exercise his rights and comply with his obligations in this Guarantee; and/or
  - (b) to make this Guarantee admissible in evidence in his jurisdiction of domicile,
  - (c) result in the existence of or oblige him to create any security over all or any of his assets;
- 6.1.8 all approvals and third party's consent (including but not limited to the consent of the legal spouse of the Guarantor) required or desirable:
- (a) to enable him to lawfully enter into, exercise his rights and comply with his obligations in this Guarantee; and/or
  - (b) to make this Guarantee admissible in evidence in his jurisdiction of domicile, have been obtained or effected, and are and will remain in full force and effect;
- 6.1.9 the choice of Hong Kong law as the governing law of this Guarantee will be recognised and enforced in his jurisdiction of domicile;
- 6.1.10 any judgment of any court obtained in Hong Kong in relation to this Guarantee will be recognised and enforced in his jurisdiction of domicile;
- 6.1.11 under the laws of his jurisdiction of domicile it is not necessary that this Guarantee be filed, recorded or enrolled with any court or other authority in that jurisdiction or that any stamp, registration or similar tax be paid on or in relation to this Guarantee or the transactions contemplated by this Guarantee;
- 6.1.12 all information (including, without limitation, information provided through e-mail) supplied by or on behalf of him to the Secured Party (or any adviser or representative of the Secured Party) is true, complete and accurate as at the date it was given and is not misleading in any respect, and does not omit to state any fact that is necessary to make the statements contained in such information not misleading in the light of the circumstances under which the statements contained in such information were made;
- 6.1.13 his payment obligations under this Guarantee rank at least *pari passu* with the claims of all his other present and future unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to individuals generally;

- 6.1.14 no litigation, arbitration or administrative proceedings of or before any court, arbitral body or agency has been started or is pending, or to the best knowledge of the Guarantor, has been threatened, against him or his assets;
- 6.1.15 no investigation has been started or threatened, or is pending, against him or his assets;
- 6.1.16 in any proceedings taken in his domicile in relation to this Guarantee, he will not be entitled to claim for himself or any of his assets immunity from suit, execution, attachment or other legal process;
- 6.1.17 his execution of this Guarantee constitutes, and his exercise of his rights and performance of his obligations hereunder will constitute, private and commercial acts done and performed for private and commercial purposes;
- 6.1.18 he is able to meet his obligations and pay his debts as they fall due, he does not admit and has not admitted any inability to pay his debts as they fall due and he has not suspended making payments on any of his debts;
- 6.1.19 he has not by reason of actual or anticipated financial difficulties commenced, and does not intend to commence, negotiations with one or more of his creditors with a view to rescheduling any of his indebtedness, and no moratorium has been, or may in the reasonably foreseeable future be, declared in respect of any of his indebtedness;
- 6.1.20 the fair value of his assets is not less than his liabilities (taking into account contingent and prospective liabilities); and
- 6.1.21 the Guarantor's:
- (a) irrevocable submission under this Guarantee to the jurisdiction of the courts of Hong Kong;
  - (b) agreement that this Guarantee is governed by Hong Kong law, and
  - (c) agreement not to claim any immunity to which he or his assets may be entitled,
- are legal, valid and binding under the laws of the jurisdiction of his nationality or jurisdictions where his assets are situated.
- 6.1.22 he is not a party to any agreement or instrument, subject to any restriction, or aware of any fact, event, development or circumstance which could reasonably be expected to materially and adversely affect him to perform his obligations under this Guarantee or his business, properties or assets, or condition (financial or otherwise). He is not in default in any material respect in the performance, observance or fulfillment of any of the obligations, covenants or conditions contained in any agreement or instrument to which he is a party or by which he or any of his business, properties or assets are bound; and
- 6.1.23 he is acting as principal and for his own account and not as agent or trustee or in any other capacity on behalf of any third party.
- 6.2 All the representations and warranties in this Clause 6 are made or deemed to be made by the Guarantor to the Secured Party on the date of this Guarantee and on each day up to and including the date on which all the obligations of the Obligors under the Security Documents have been fully performed and discharged.
- 6.3 Each representation and warranty deemed to be made after the date of this Guarantee shall be deemed to be made by reference to the facts and circumstances existing at the date on which such representation or warranty is deemed to be made (except that, for the avoidance of doubt, any representation or warranty that is expressed to be made by reference to the facts and circumstances existing as at a specific date shall be made by reference to the facts and circumstances existing as at such specific date).

- 6.4 The Guarantor acknowledges that the Secured Party has entered into the Finance Documents in reliance upon the representations and warranties contained in this Clause 6.

## **7. UNDERTAKINGS**

Until such time as the Secured Party has confirmed to the Guarantor in writing that any and all amounts which are or may become due to the Secured Party from the Obligors under any and all the Security Documents have been paid in full, the Guarantor shall comply with the undertakings set out in this Clause 7.

- 7.1 The Guarantor shall promptly supply to the Secured Party (or procure the supply of) such information regarding his financial condition as the Secured Party may from time to time request.

- 7.2 If there is:

7.2.1 any introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the date of this Guarantee;

7.2.2 any change in the status of any Obligor, or the composition of the shareholders, members or investors of any Obligor (where applicable), after the date of this Guarantee; or

7.2.3 a proposed assignment or transfer by the Secured Party of any of its rights and/or obligations under any Finance Document, obliges the Secured Party (or any prospective assignee or transferee of the Secured Party) to comply with any "know your customer", anti-money laundering or similar identification procedures in circumstances where the necessary information is not already available to it,

the Guarantor shall promptly upon the request of the Secured Party (or any prospective assignee or transferee of the Secured Party) supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Secured Party (or any prospective assignee or transferee of the Secured Party) in order for the Secured Party (or any prospective assignee or transferee of the Secured Party) to carry out and be satisfied with the results of all necessary "know your customer", anti-money laundering and/or other similar checks under all applicable laws and regulations in connection with any or all of the Security Documents and/or the transactions contemplated thereunder.

- 7.3 The Guarantor shall promptly (a) obtain, comply with the terms and conditions of, and do all that is necessary to maintain in full force and effect, any Approval as is required under any law or regulation of the jurisdiction of his domicile and/or Hong Kong to enable him to perform his obligations under this Guarantee and/or to ensure the legality, validity, enforceability or admissibility in evidence in his jurisdiction of domicile and/or Hong Kong of this Guarantee, and (b) supply certified copies to the Secured Party of any such Approval.

- 7.4 The Guarantor shall ensure that at all times his payment obligations under this Guarantee rank at least *pari passu* with the claims of all his other unsecured and unsubordinated creditors, except for obligations mandatorily preferred by law applying to individuals generally.

- 7.5 For the duration of this Guarantee, the Guarantor shall not change the jurisdiction of his domicile, unless a prior written notice has been sent to the Secured Party.

- 7.6 The Guarantor shall comply in all material respects with all applicable Laws, if failure to comply would materially impair his ability to perform his obligations hereunder.

- 7.6 The Guarantor shall not take any action or commence legal proceedings for the bankruptcy, reorganisation or composition, or for the appointment of a receiver, trustee, examiner, administrator, administrative receiver, liquidator, sequestrator or similar officer, in relation to him or any of his businesses, properties or assets.

## **8. PAYMENTS AND INTEREST**

- 8.1 All payments to be made by the Guarantor to the Secured Party under this Guarantee shall be made free and clear of and without deduction for or on account of Tax unless the Guarantor is required to make such payment subject to the deduction or withholding of Tax, in which case the sum payable by the Guarantor in respect of which such deduction or withholding is required to be made shall be increased to the extent necessary to ensure that, after the making of such deduction or withholding, the person on account of whose liability to Tax such deduction or withholding has been made receives and retains (free from any liability in respect of any such deduction or withholding) a net sum equal to the sum which it would have received and so retained had no such deduction or withholding been made or required to be made.
- 8.2 On each date on which the Guarantor is required to make a payment under this Guarantee, the Guarantor shall make the same available to the Secured Party for value on the due date and in cleared HK Dollar funds. Payment shall be made to such account in such jurisdiction with such bank as the Secured Party specifies from time to time.
- 8.3 All payments to be made by the Guarantor under this Guarantee shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

## **9. CONTINUING SECURITY**

The obligations of the Guarantor contained in this Guarantee shall constitute and be continuing obligations notwithstanding any settlement of account or other matter or thing whatsoever, and shall not be considered satisfied by any intermediate payment or satisfaction of any of the obligations of any Obligor under any of the Security Documents and shall continue in full force and effect until the Secured Party has confirmed in writing to the Guarantor that all amounts owing by any or all of the Obligors under any or all of the Security Documents have been paid in full. The Secured Party hereby undertakes to issue such written confirmation as soon as practicable and without delay after all amounts owing by any or all of the Obligors under any or all of the Security Documents have been paid in full.

## **10. SET-OFF**

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

## **11. NOTICES**

- 11.1 Any notice required or permitted pursuant to this Guarantee shall be given in writing and shall be given either personally or by sending it by next-day or second-day courier service, fax, or similar means to the address, fax number or email address of the relevant Party as provided in Clause 11.3 below (or at such other address as such Party may designate by five (5) days' advance written notice to the other Party given in accordance with this Clause 11).
- 11.2 Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered (a) if delivered by hand, at the time of delivery; (b) if sent by pre-paid post, on the fourth (4th) Business Day after the time of posting; and (c) if given or made by fax, immediately after it has been dispatched with a confirmation that all pages have been transmitted except where dispatch is not on a Business Day; and (d) if given or made by email or other electronic communication, only when receive in legible form. If a communication would otherwise be deemed to have been delivered outside normal business hours (after 5:30 p.m. on a Business Day) in the time zone of the territory of the recipient under the preceding provisions of this Clause 11, it shall be deemed to have been delivered at 9:30 a.m. on the next opening of business in the territory of the recipient. In proving service of a communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a pre-paid letter or that the facsimile transmission was dispatched and a confirmatory transmission report or other acknowledgment of good receipt was received.
- 11.3 The addresses and fax numbers for service of a notice in connection with this Guarantee are:

To the Guarantor:

Name: Mr. Li Yong Hong  
Address: Flat/Rm 701, 7/F, Citicorp Centre, 18 Whitfield Road, Causeway Bay, Hong Kong  
Fax: (852) 25642297  
Attention: Mr. Li Yong Hong  
Email address: david.han@rossoneri.com.cn

To the Secured Party:

Address: Suite 2005-2006, 20/F., Tower 6, The Gateway, Harbour City, Tsim Sha Tsui, Kowloon, Hong Kong  
Fax: (852) 2116 7699  
Attention: Ms. Windy Duan  
Email address: windy.duan@teamwaygroup.com

**12. COSTS, EXPENSES AND STAMP DUTY**

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

**13. ASSIGNMENTS AND SUCCESSORS**

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

**14. PARTIAL INVALIDITY**

The rights, powers and remedies herein provided are cumulative and do not exclude any other rights, powers and remedies provided at law or in equity. If at any time, any provision of this Guarantee is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions of this Guarantee nor of such provisions under the law of any other jurisdiction shall in any way be affected or impaired thereby. Upon a determination that any provision is illegal, invalid or unenforceable, the parties shall negotiate in good faith to modify this Guarantee so as to effect the original intent of the parties as closely as possible in an acceptable manner in order that the transactions contemplated hereby are consummated as originally contemplated to the greatest extent possible.

**15. AMENDMENTS AND WAIVERS**

- 15.1 Any provision of this Guarantee may be amended or waived only by agreement in writing between the Secured Party and the Guarantor.
- 15.2 No failure on the part of the Secured Party to exercise, or delay on its part in exercising, any or all of its rights hereunder shall operate as a waiver thereof, nor shall any single or partial exercise of any such right preclude any further or other exercise of such or any other right. The rights, powers and remedies contained in this Guarantee are cumulative and not exclusive of any rights, powers or remedies provided by law.

## **16. GOVERNING LAW AND JURISDICTION**

16.1 This Guarantee and any non-contractual obligations arising out of or in connection with it are governed by the Laws of Hong Kong.

### **16.2 Dispute Resolution**

16.2.1 Each of the Guarantor and the Secured Party agrees that any legal action or proceeding arising out of or relating to this Guarantee may be brought in the courts of Hong Kong and irrevocably submits to the exclusive jurisdiction of such courts.

16.2.2 This Clause 16 is for the benefit of the Secured Party only. Nothing herein shall limit the right of the Secured Party to commence any legal action against the Guarantor and/or his property in any other jurisdiction or to serve process in any manner permitted by Law, and the taking of proceedings in any jurisdiction shall not preclude the taking of proceedings in any other jurisdiction whether concurrently or not.

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

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

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

16.3 The Guarantor irrevocably appoints Ms. Shirley Ng as his authorised agent for service of any legal process in Hong Kong. If for any reason Ms. Shirley Ng shall cease to be such agent for service of process, the Guarantor shall forthwith appoint a new agent for service of process in Hong Kong and deliver to the Secured Party a copy of the new agent's acceptance of that appointment within two (2) days. Nothing in this Guarantee shall affect the right to serve process in any other manner permitted by Law.

## **17. INDEPENDENT LEGAL ADVICE**

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

## **18. NO PRESUMPTION**

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

**19. COUNTERPARTS**

This Guarantee may be executed in any number of counterparts, and this has the same effect as if the execution on the counterparts were on a single copy of this Guarantee.

**20. MISCELLANEOUS**

20.1 The Guarantor shall execute all documents and do all such assurances, acts and things as the Secured Party in its absolute discretion may require for:

- (a) protecting or ensuring the priority of the rights and interests of the Secured Party hereby created (or intended to be created);
- (b) preserving or protecting any of the rights of the Secured Party under this Guarantee in any jurisdiction;
- (c) ensuring that the security constituted by this Guarantee and the covenants and obligations of the Guarantor under this Deed shall enure to the benefit of any assignee of the Secured Party;
- (d) facilitating the realisation of this Guarantee or any part thereof; or
- (e) the exercise of any power, authority or discretion vested in the Secured Party under this Guarantee

in any such case, forthwith upon demand by the Secured Party and at the expense of the Guarantor.

20.2 Termination of this Guarantee for any cause shall not release the Guarantor from any liability which at the time of termination had already accrued to it or which thereafter may accrue in respect of any act or omission prior to such termination.

20.3 This Guarantee shall be binding upon and inure to the benefit of the Secured Party and its successors and assignees, and the Guarantor shall not have the right to assign its rights or delegate its duties hereunder without the prior written consent of the Secured Party; provided, however, that the Secured Party may assign its rights hereunder without the consent of the Guarantor in connection with an assignment by the Secured Party of any of its rights and obligations under the Finance Documents.

**SIGNED, SEALED AND DELIVERED**  
by **LI YONG HONG**

in the presence of:



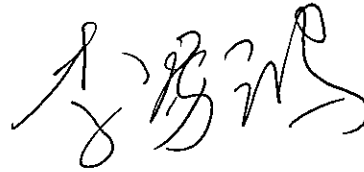
Witness Signature

LEE Sui Har  
Solicitor, HKSAR  
JUN HE LAW OFFICES

Name

Suite 701-10 Jardine House,  
1 Cornuaught Place, Central, Hong Kong.  
香港中環康樂廣場1號怡和大廈701-10室

Address



L.S

(Seal)



