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INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION

To the directors of Crosstec Group Holdings Limited

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Crosstec Group Holdings Limited (the "Company") and its subsidiaries (collectively referred to as the "Group") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible liabilities of the Group attributable to the owners of the Company as at 31 December 2022 and related notes as set out on pages II-1 to II-3 of Appendix II of the Company's prospectus dated 30 June 2023 (the "Prospectus") in connection with the proposed rights issue of the Company (the "Proposed Rights Issue"). The applicable criteria on the basis of which the directors of the Company have compiled the unaudited pro forma financial information are described on page II-1 to II-3 of Appendix II of the Prospectus.

The unaudited pro forma financial information has been compiled by the directors of the Company to illustrate the impact of the Proposed Rights Issue on the Group's consolidated financial position as at 31 December 2022 as if the Proposed Rights Issue had taken place at 31 December 2022. As part of this process, information about the Group's consolidated financial position has been extracted by the directors of the Company from the Group's condensed consolidated interim financial statements for the six months ended 31 December 2022, on which no audit or review report has been published.

Directors' Responsibility for the Unaudited Pro Forma Financial Information

The directors of the Company are responsible for compiling the unaudited pro forma financial information in accordance with paragraph 4.29 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (the "Listing Rules") and with reference to Accounting Guideline 7 "Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars" ("AG 7") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA").



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The Board of Directors
Crosstec Group Holdings Limited
9th Floor, Olympia Plaza,
255 King's Road,
North Point,
Hong Kong

30 June 2023

Our ref: 078151/RI0423/3006

Dear Sirs,

Crosstec Group Holdings Limited (the "Company")
Consent letter

We refer to the prospectus dated 30 June 2023 (the "Prospectus") in connection with a proposed rights issue (the "Proposed Rights Issue"), a final proof of which is attached and initialled by us on its front cover for the purpose of identification. Terms and definitions used in this letter have the same meaning as those in the Prospectus.

We hereby consent to the inclusion of (i) our accountants' report dated 30 June 2023 on the unaudited pro forma financial information of the Group as set out in Appendix II to the Prospectus; and (ii) the references to our name in the form and context in which they are included.

We also hereby consent to a copy of this letter and the above-named report being published on the HKEX's website and the Company's own website as described in the paragraph headed "DOCUMENTS ON DISPLAY" in Appendix III to the Prospectus.

Yours faithfully,
BDO Limited

CKW/CKM/wl

Encl.



THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

If you are in any doubt as to any aspect of this Prospectus or as to the action you should take, you should consult your licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in CROSSTEC Group Holdings Limited, you should at once hand the Prospectus Documents to the purchaser or the transferee or to the bank manager, licensed securities dealer or registered institution in securities or other agent through whom the sale or transfer was effected for transmission to the purchaser or the transferee.

Hong Kong Exchanges and Clearing Limited, Hong Kong Securities Clearing Company Limited and The Stock Exchange of Hong Kong Limited take no responsibilities for the contents of the Prospectus Documents, make no representations as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed "12. Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this Prospectus, has been registered by the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong). The Registrar of Companies in Hong Kong and the Securities and Futures Commission of Hong Kong take no responsibility for the contents of any of the Prospectus Documents.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or other registered securities dealer, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

Subject to the granting of the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange, as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement dates of the dealings in the Rights Shares in both their nil-paid and fully-paid forms or such other dates as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time.

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong and the distribution of this Prospectus into jurisdictions other than Hong Kong may be restricted by law. Persons who come into possession of this Prospectus (including, without limitation, agents, custodians, nominees and trustees) should acquaint themselves with and observe any such restrictions. Any failure to comply with those restrictions may constitute a violation of the securities laws of any such jurisdiction for which the Company will not accept any liability. In particular, subject to certain exceptions as determined by the Company, the Prospectus Documents should not be distributed, forwarded to or transmitted in, into or from any jurisdiction where such release or distribution might be unlawful.

CROSSTEC Group Holdings Limited 易緯集團控股有限公司

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 3893)



RIGHTS ISSUE ON THE BASIS OF ONE (1) RIGHTS SHARE FOR EVERY TWO (2) EXISTING SHARES HELD ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

The Rights Issue is on a non-underwritten basis. Pursuant to the Company's constitutional documents, the Companies Act, Companies (Winding Up and Miscellaneous Provisions) Ordinance and the Listing Rules, there is no requirement for a minimum level of subscription in the Rights Issue. The Rights Issue is subject to fulfilment of the conditions of the Rights Issue as set out in the section headed "Letter from the Board – Conditions of the Rights Issue" in this Prospectus at or prior to the latest time for the Rights Issue to become unconditional (which is currently expected to be 4:30 p.m. on Monday, 17 July 2023). None of the conditions to the Rights Issue can be waived. If the conditions of the Rights Issue are not fulfilled at or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

The Shares have been dealt in on ex-rights basis from Tuesday, 20 June 2023. Dealings in the Rights Shares in the nil-paid form will take place from Tuesday, 4 July 2023 to Tuesday, 11 July 2023 (both days inclusive). Any dealings in the Shares up to the date on which all conditions of the Rights Issue are fulfilled, and any Shareholder dealing in the Rights Shares in nil-paid form will accordingly bear the risk that the Rights Issue may not become unconditional or may not proceed. Shareholders or other persons contemplating any dealing in the Shares or Rights Shares in their nil-paid form are recommended to consult their professional advisers.



Our Independence and Quality Management

We have complied with the independence and other ethical requirements of the “Code of Ethics for Professional Accountants” issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

Our firm applies Hong Kong Standard on Quality Management 1 “Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements” issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Reporting Accountants’ Responsibilities

Our responsibility is to express an opinion, as required by paragraph 4.29(7) of the Listing Rules, on the unaudited pro forma financial information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the unaudited pro forma financial information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 “Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus” issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the unaudited pro forma financial information in accordance with paragraph 4.29 of the Listing Rules and with reference to AG 7 issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the unaudited pro forma financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the unaudited pro forma financial information.

The purpose of unaudited pro forma financial information included in a prospectus is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Proposed Rights Issue at 31 December 2022 would have been as presented.

A reasonable assurance engagement to report on whether the unaudited pro forma financial information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors in the compilation of the unaudited pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related unaudited pro forma adjustments give appropriate effect to those criteria; and
- the unaudited pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgment, having regard to the reporting accountants' understanding of the nature of the entity, the event or transaction in respect of which the unaudited pro forma financial information has been compiled, and other relevant engagement circumstances.

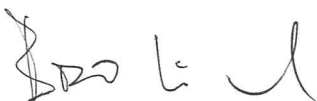
The engagement also involves evaluating the overall presentation of the unaudited pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion:

- (a) the unaudited pro forma financial information has been properly compiled by the directors of the Company on the basis stated;
- (b) such basis is consistent with the accounting policies of the Company; and
- (c) the adjustments are appropriate for the purposes of the unaudited pro forma financial information as disclosed pursuant to paragraph 4.29(1) of the Listing Rules.



BDO Limited
Certified Public Accountants
Hong Kong

30 June 2023

THIS AGREEMENT made this 16th day of January, Two thousand and Twenty three

BETWEEN **KA CHEE COMPANY LIMITED (家志有限公司)** whose registered office is situate at Room 2703, Olympia Plaza, 255 King's Road, North Point, Hong Kong (who and whose successors and assigns are hereinafter called "the Landlord") of the one part and the party named and described as the Tenant in Part I of the First Schedule hereto (hereinafter called "the Tenant") of the other part.

IT IS AGREED as follows :-

PREMISES RENT AND USER

1. The Landlord shall let and the Tenant shall take ALL THOSE the premises ("the Premises") forming part of all that building ("the Building") erected on that part of the land ("the Lot") which premises, building and land are more particularly described and set out in Part II of the First Schedule hereto together with the use in common with the Landlord and all others having the like right of the entrances staircases landings passages public toilets and the lifts (whenever the same shall be operating) in the Building in so far as the same are necessary for the proper use and enjoyment of the Premises except in so far as the Landlord may from time to time restrict such use And together with the use in common as aforesaid of the central air-conditioning service in the Building (whenever the same shall be operating) EXCEPT AND RESERVED unto the Landlord and all persons authorised by the Landlord or otherwise entitled thereto without the necessity of obtaining consent and without compensation :-
 - (a) the right of free and uninterrupted passage and running of water, soil, gas, drainage, electricity and all other services or supplies through such sewers, watercourses, conduits, pipes, wires, cables and ducts or other services, installations or facilities as are now or may hereafter be in, on, through, over or under the Premises and serving or capable of serving the Building or any adjoining or neighbouring property together with the right to enter upon the Premises to inspect repair or maintain any such sewers, watercourses, conduits, pipes, wires, cables and ducts;
 - (b) the exclusive right to install in or affix to any part of the Building such flues, pipes, conduits, chimneys, aerials, plant, machinery and other apparatus, signs, placards, posters and other advertising structures whatsoever (whether illuminated or not) as the Landlord shall think fit together with the right to repair maintain service remove or place the same;
 - (c) the absolute and unfettered right to use the external surfaces of the walls windows window frame curtain walling and other parts of the Premises for the purposes of repairs maintenance improvements and decoration (whether permanent or seasonal) or any other purposes which the Landlord sees fit together with the right to erect attach and retain scaffolding or other structures as shall be convenient for such purposes and to assign or delegate the aforesaid right of the Landlord;

- (d) the right to erect or alter or consent to the erection or alteration of any building for the time being on any adjoining or neighbouring property notwithstanding that such erection or alteration may diminish the access of light and air enjoyed by the Premises and the right to deal with any such property as it may think fit;
- (e) the right to subjacent and lateral support from the Premises for the remainder of the Building; and
- (f) the right to enter upon and/or pass through the Premises for the purpose of access to and egress from any part of the Building (including without prejudice to the generality thereof the roof plant rooms and meter rooms ducts shafts and lightwells) to which access cannot be readily obtained without entry upon the Premises.

for the term set forth in Part III of the First Schedule hereto ("the Term") YIELDING AND PAYING therefor throughout the Term (a) the monthly rent payable in accordance with the provisions set out in Clause 2.01 and in Part I of the Second Schedule hereto ("the Rent"); and (b) the Air-conditioning and Management Charges payable in accordance with the provisions set out in Clause 2.01 and in Part II of the Second Schedule hereto ("the Air-conditioning and Management Charges") which sums shall be payable exclusive of Government Rates, Government Rent and other outgoings and in advance clear of all deductions or set off (whether equitable or otherwise) on the first day of each calendar month the first of such payments to be apportioned according to the number of days then unexpired in the month in respect of which such payment is due and the last of such payments to be apportioned according to the number of days of the Term remaining in the month in respect of which such payment is due and the first of such payments to be made on the signing hereof and the Tenant agrees to use the Premises only for the purpose as set forth in Part IV of the First Schedule hereto and not for any other purpose whatsoever.

RENT AND OTHER CHARGES AND TENANT'S OBLIGATIONS

2. The Tenant agrees with the Landlord as follows:

Rent & Other Charges

2.01 to pay to the Landlord on the days and in the manner hereinbefore provided and by Autopay if so required by the Landlord :-

- (a) the Rent;
- (b) the monthly Air-conditioning and Management Charges subject to revision as hereinafter provided; and
- (c) in the event of revision of the charges payable under (b) above to pay in the same manner any revised amount of the same.

Increase in the Air-conditioning and Management Charges

2.02 The Landlord shall be entitled at any time and from time to time during the Term to serve a notice upon the Tenant increasing the Air-conditioning and Management Charges by an amount which the Landlord shall deem appropriate having regard to all or any of the elements affecting the cost of providing the respective services, and thereafter such increased charge or charges shall be payable in lieu of the charge or charges provided for above. The Landlord's assessment of the appropriate increase shall be final

conclusive and binding on the Tenant and the Tenant shall not dispute upon the same.

Government Rates & Government Rent

- 2.03 (1) To pay and discharge all Government Rates and Government Rent, taxes assessments duties impositions charges and outgoings whatsoever of an annual or recurring nature now or hereafter to be assessed imposed or charged by the Government of Hong Kong Special Administrative Region or other lawful authority upon the Premises or upon the owner or occupier thereof (Property Tax and other outgoings of a capital or non-recurring nature only excepted.)
- (2) In the event that an assessment to Government Rates and Government Rent in respect of the Premises shall be levied upon the Landlord direct the Landlord shall during the month immediately preceding any quarter in respect of which such Government Rates and Government Rent may fall due be at liberty to debit the Tenant with the amount thereof and the same shall forthwith be paid by the Tenant to the Landlord whereupon the Landlord shall account for the same to the Government of Hong Kong Special Administrative Region.
- (3) In the event that no valuation of the Premises shall have been made in accordance with the Rating Ordinance (Cap.116) or any statutory amendment or modification thereof for the time being in force the Landlord shall be at liberty to make an interim valuation thereof and to debit the Tenant with the amount which would be payable upon such interim valuation and the same shall forthwith be paid by the Tenant to the Landlord and any over-payment or under-payment by the Tenant on such interim valuation shall be adjusted when a valuation under the Rating Ordinance shall have been made known. The interim valuation made by the Landlord shall be final binding and conclusive on the Tenant in the absence of a valuation under the Rating Ordinance and the Tenant shall not dispute upon the same.
- (4) The Landlord shall be entitled to treat non-payment of any amount debited to the Tenant in accordance with the foregoing provisions of this Clause or any part thereof in all respects as non-payment of rent under this Agreement.

Utility Charges and Deposit

- 2.04 To apply for the provision of a separate electricity meter for the Premises and pay and discharge all deposits and charges in respect of water electricity and telephone as may be shown by or operated from the Tenant's own metered supply or by accounts rendered to the Tenant in respect of all such utilities consumed on or in the Premises.

Compliance with Ordinances

- 2.05 To obey and comply with and to indemnify the Landlord against the breach of all ordinances, regulations, by-laws, rules and requirements of any Governmental or other competent authority relating to the use and occupation of the Premises, or to any other act, deed, matter or thing done, permitted, suffered or omitted therein or thereon by the Tenant or any employee, customer, agent, licensee or invitee of the Tenant and without prejudice to the foregoing to obtain (where applicable) any licence approval or permit required by any Governmental or other competent authority in connection with the Tenant's use or occupation of the Premises prior to the commencement of the Tenant's business and to maintain the same in force during the currency of this tenancy and to indemnify the Landlord against the consequences of a breach of this provision.

Fitting out

- 2.06 (1) To fit out the interior of the Premises in accordance with such plans and specifications as shall have been first submitted by the Tenant to and approved in writing by the Landlord under Clause 2.07 below in a good and proper workmanlike fashion using good quality materials and so to maintain the same throughout the Term in good condition and repair.

Fitting Out Deposit

- (2) Upon submission of the Tenant's Plans hereinafter mentioned or signing hereof, whichever is the earlier, to pay a fitting out deposit to the Landlord or the manager appointed for the management of the Building (hereinafter called "the Manager") in a sum as determined by the Landlord or the Manager and as set out in Part V of the First Schedule hereto which sum shall be refunded to the Tenant after completion of the Tenant's Works (as hereinafter defined) subject to deduction of any damages caused by the negligence and/or misconduct of the Tenant or the Tenant's workmen in carrying out the Tenant's Works and/or charges for removing any debris left by the Tenant or the Tenant's workmen and/or any other damages.

Temporary Power Supply Charges

- (3) At its sole discretion, the Landlord may provide temporary power supply to the Tenant for the Tenant's Works. The Tenant shall install necessary isolating switch to and wiring from the power point designated or provided by the Landlord and shall pay to the Landlord a sum per calendar day as set out in Part VI of the First Schedule hereto for such temporary power supply so provided by the Landlord Provided that the Landlord may at its sole discretion disconnect the temporary power supply at any time without prior notice to the Tenant. For avoidance of doubt, the charges does not include the labour and material costs for connecting the power cable with the main switchboard which shall be the responsibility of the Tenant.

Procedure or Requirement for Fitting Out or Redecoration

- 2.07 Without affecting the liability of the Tenant to keep and maintain the interior of the Premises including the fixtures and fittings therein and all additions thereto in good and tenable repair and condition (fair wear and tear excepted) as hereinafter provided and subject to the provisions of Clause 4 hereof, it is hereby agreed that for the purpose of fitting out or decorating, renovating, altering or making additions of or to the Premises (hereinafter called "the Tenant's Works"), the Tenant shall observe and comply with the following procedures and stipulations, namely :-
- (1) The Tenant shall at its own costs prepare and submit to the Landlord for approval (where applicable) suitable drawings and specifications of the Tenant's Works proposed to be carried out by the Tenant together with schematic sketches illustrating the design and layout proposal of such proposed works (hereinafter collectively called "the Tenant's Plans") at least twenty one (21) days prior to the intended commencement date for the Tenant's Works.
 - (2) The Tenant's Plans shall, without limitation :-
 - (a) include detailed drawings, plans and specifications of any changes in the electrical installations and/or air-conditioning installations.
 - (b) Include details of all lighting features.
 - (c) Comply with all relevant Ordinances, regulations and by-laws from time to time issued by the Government of Hong Kong Special Administrative Region.
 - (3) The Landlord will consider the Tenant's Plans and may accept or reject the Tenant's Plans or require modifications thereof or any part of them as it thinks fit.
 - (4) The Tenant shall reimburse the Landlord on demand with all architectural, mechanical, engineering and structural engineering consultant's fees reasonably incurred according to fee notes or bills rendered by any such consultants in connection with the consideration and approval of the Tenant's Plans. The Tenant shall pay to the Manager a sum of HK\$4,651.80 being the fees for the approval of the Tenant's Works by the Manager upon submission of the Tenant's Plans.
 - (5) The Tenant shall have the sole responsibility for compliance with all applicable statutes, codes, ordinances and other regulations for all works performed by or on behalf of the Tenant on the Premises, and the Landlord's approval of plans, specifications, calculations or of the Tenant's works shall not constitute any implication, representation or certification by the Landlord that the said works are in compliance with the said statutes, codes, ordinances, and other regulations. In instances where several sets of requirements must be met, the standard set by the Landlord's consultants shall apply.

- (6) The Tenant may not commence the Tenant's Works before receiving notice from the Landlord that such works may be commenced and thereafter the Tenant shall commence and complete such works expeditiously. The Tenant hereby acknowledges that any delays howsoever occasioned in submitting or resubmitting the plans for the Tenant's Works which are unsatisfactory to the Landlord including any delays on the part of the Landlord in the approval of the same will not entitle the Tenant to any extension of the rent free period specified herein (if any) and further agrees that the Landlord may make available the Premises to the Tenant for possession and that the Term may commence and the Rent may commence to be payable notwithstanding that such plans have not been approved.
- (7) All works in respect of or associated with the sprinkler systems, the air-conditioning, plumbing and drainage system, security system and fire warning and fighting equipment and installations shall not be carried out by any contractor other than contractors designated by the Landlord.
- (8) The Tenant shall submit to the Landlord by hand at least seven (7) days prior to the commencement of the Tenant's Works, the following information and items :-
 - (a) the name(s) and address(es) of the general contractor(s) and other contractors the Tenant intends to engage in the construction of the Tenant's Works, and
 - (b) the actual commencement date of construction and the estimated date of completion of construction work, fixturing work, and the date of projected opening.
- (9) In carrying out any approved work hereunder, the Tenant shall and shall cause his servants agents contractors and workmen to cooperate fully with the Manager and all servants agents and workmen of the Manager or the Landlord and with other tenants or contractors carrying out any work in the Building. The Tenant shall obey and cause his servants agents contractors and workmen to obey and comply with all reasonable instructions and directions which may be given in connection with the carrying out of such work by the Manager or the Landlord or its agents or servants.
- (10) The Tenant shall effect and maintain or cause its contractors to effect and maintain adequate insurance coverage against all risks arising from or caused by the execution of the Tenant's Works or resulting from the occupation of the Premises by the Tenant or its contractors and shall forthwith provide the Landlord with such insurance policy and receipt of premium prior to the commencement of any of the Tenant's Works.

Installation of Telephone Cables

- 2.08 The Tenant shall make his own arrangements with regard to the installation of telephones in the Premises, but the installation of telephone lines outside

the Premises must be in accordance with the Landlord's and the Manager's directions.

Good Repair of Interior

2.09 To keep all the interior of the Premises including the flooring and interior plaster or other finishing material or rendering to walls floors and ceiling of the Premises the Landlord's fixtures and fittings therein and all additions thereto including all doors, internal windows and window frames, curtains, carpets, electrical installations and wiring, light fittings, suspended acoustics ceilings fire warning and fighting apparatus and installations and air-conditioning plant fan-coil units and ducting and all other fixtures, fitting and additions in or at the Premises in good clean tenantable and proper repair and condition (fair wear and tear excepted) and so to maintain the same at the expense of the Tenant, and to deliver up the same to the Landlord at the expiration or sooner determination of the said term in like condition (save and except as aforesaid) in accordance with Clause 2.33 hereof. To permit the Landlord or the Manager and all persons authorized by the Landlord or the Manager with workmen to enter upon the Premises to carry out cleaning work or repair for the air-conditioning plant fan-coil units and ducting after the Landlord or the Manager gives the tenant prior notice.

Replacement of Windows

2.10 To pay to or reimburse the Landlord the cost of replacing all broken or damaged windows or curtain walling of the Premises if the same be broken or damaged by the negligence of the Tenant.

Repair of Electrical Installations

2.11 To repair or replace if the same becomes dangerous or unsafe or if so required by the appropriate Company or authority under the terms of the Electricity Supply Ordinance or any statutory modification or re-enactment thereof or any Regulations made thereunder (fair wear and tear excepted) all the electricity wiring and installations and fittings within and exclusively serving the Premises and the wiring from the Tenant's meter or meters to and within the same and in so doing the Tenant shall use only a contractor nominated or approved by the Landlord in writing for the purpose. The Tenant shall permit the Landlord and/or the Manager and/or their respective agents to test the Tenant's wiring in the Premises at any reasonable time upon request being made. The Tenant hereby agrees to keep the Landlord indemnified against any cost claim damage or proceedings resulting from or attributable to any malfunction or disrepair of the electrical installation or apparatus in and exclusively serving the Premises and the wiring from the Tenant's meter or meters to and within the same for the repair of which the Tenant is responsible hereunder.

Good Repair of Toilets and Water Apparatus

2.12 At the expense of the Tenant to maintain all toilets sanitary and water apparatus as are located within the Premises (or elsewhere if used exclusively by the Tenant) in good clean and tenantable state and in proper repair and condition (fair wear and tear excepted) at all times during the

Term to the reasonable satisfaction of the Landlord and in accordance with the Regulations of the Public Health or other Government Authority concerned.

Cleaning and Cleaning Contractors

- 2.13 To keep the Premises including all internal surfaces of the windows or lights at all times in a clean and sanitary state and condition, and for the better observance hereof the Landlord may require the Tenant to employ such cleaners and cleaning contractor as the Landlord or the Manager shall nominate or approve to the exclusion of any other cleaners or cleaning contractor and at the sole cost of the Tenant such cleaners and cleaning contractors when employed shall be treated for all purposes as the servant agent or employee of the Tenant only.

Cleaning of Drains

- 2.14 To pay on demand to the Landlord the reasonable cost incurred by the Landlord in cleansing and clearing any of the drains pipes or sanitary or plumbing apparatus choked or stopped up owing to improper or careless use by the Tenant or his employees agents contractors invitees or licensees.

To Permit Landlord to Enter and View

- 2.15 To permit the Landlord or the Manager, its or their agents or servants and all persons authorised by the Landlord or the Manager with or without workmen or others and with or without appliances at all reasonable time and by prior notice to enter upon the Premises to view the condition thereof and to take inventories of the Landlord's fixtures and fittings therein and to carry out any work or repair required to be done provided that in the event of an emergency the Landlord or the Manager its or their servants or agents may enter without notice and forcibly if need be.

Execute Repair on Receipt of Notice

- 2.16 To make good all defects and wants of repair to the Premises for which the Tenant shall be liable hereunder expeditiously after receipt of written notice from the Landlord to amend and make good the same, and if the Tenant shall fail to execute such works or repairs as aforementioned to permit the Landlord to enter upon the Premises and execute the same and the reasonable cost thereof shall be a debt due from the Tenant to the Landlord and be recoverable forthwith by action.

Inform Landlord of Damage

- 2.17 To give notice to the Landlord or its agent immediately upon becoming aware of any damage that may be suffered to the Premises and of any accident to or defects in the water and gas pipes (if any) electrical wiring or fittings, fire warning and fighting apparatus and installation, air-conditioning equipment and installations, the Landlord's fixtures and fittings therein windows and window-frames and other fixtures or other services or facilities within the Premises whether exclusively serving the Premises or not.

Protection from Typhoon

- 2.18 To take all reasonable precautions to protect the interior of the Premises against damage by storm typhoon heavy rainfall or the like and in particular

to ensure that all exterior doors and windows are securely fastened upon the threat of such adverse weather conditions.

Indemnification of Landlord

2.19 To be wholly responsible for any damage or injury caused to any person whomsoever directly or indirectly through the defective or damaged condition of any part of the interior of the Premises and all the fixtures fittings wirings or piping therein or any equipment apparatus installations and additions therein whatsoever the repair of which is the Tenant's responsibility hereunder or in any way owing to the spread of fire or smoke or the leakage or overflow of water including storm or rainwater originating from the Premises or any part thereof or through the act default or neglect of the Tenant his servants agents contractors licensees invitees or customers or through the use of the Premises by the Tenant or through the operation by the Tenant of its business at or from the Premises and to make good the same by payment or otherwise and to indemnify the Landlord against all costs claims demands actions and legal proceedings whatsoever made upon the Landlord by any person in respect of any such loss damage or injury and all reasonable costs and expenses incidental thereto.

Outside Windows

2.20 To keep all outside windows and doors of the Premises closed at all times save if and when the air cooling and heating system is not working and to comply forthwith with any notice from the Landlord or the Manager requiring closing of the same and in default of compliance with such notice the Landlord or the Manager or their respective agents shall be entitled to enter the Premises for the purpose of closing the same and it is agreed that a persistent breach of the terms of this clause by the Tenant shall amount to a breach of this Agreement justifying the Landlord exercising his rights of re-entry hereunder.

Refuse and Garbage Removal

2.21 (1) The Tenant shall be responsible for the removal of all refuse and garbage and decoration debris during fitting out, decoration or renovation of the Premises from the Premises to such location as the Landlord may specify from time to time during the Term.

(2) The Landlord shall provide a collection service for removal of decoration debris from the Building during the period of fitting out and decoration of the Premises from the commencement of the Term up to but excluding the date of the commencement of the business of the Tenant and the Tenant shall pay to the Landlord a sum of HK\$19,382.50 upon submission of the plans for the Tenant's Works or signing the Tenancy Agreement, whichever is the earlier as the said decoration debris removal charges. From and after the date of commencement of business of the Tenant, in the event of the Landlord providing a collection service for removal of the refuse and garbage from the Premises, the same shall be used by the Tenant to the exclusion of any other similar

service and the use of such service provided by the Landlord shall be at the sole cost of the Tenant.

Air-conditioning of the Premises

2.22 Where any plant machinery or equipment (including but not limited to fancoils) for cooling heating or circulating air is installed in or about and exclusively serves the Premises (whether by the Landlord or the Tenant with the Landlord's approval) the Tenant will to the extent of the Tenant's control over the same at all times use and regulate the same to ensure that the air-conditioning plant is employed to best advantage in the conditions from time to time prevailing and in particular the Tenant shall clean the fancoils installed in or about the Premises at least once a year at the sole expenses of the Tenant by a licence contractor nominated or duly approved by the Landlord.

Air-conditioning Outside Normal Business Hours

2.23 If the Tenant shall require air-conditioning service outside Normal Business Hours as set out in Part III of the Second Schedule hereto ("Normal Business Hours") the Tenant shall apply to the Landlord or the Manager for the same and the Tenant shall pay additional air-conditioning charge as provided in Part II of the Second Schedule hereto if the application shall be so approved by the Landlord.

Service Entrances

2.24 To load and unload goods equipment furniture or large or heavy objects only at such times and through such entrances and staircases as shall be designated by the Landlord or the Manager for this purpose from time to time.

Common Areas

2.25 To pay to or reimburse to the Landlord the cost of any damage caused to any part of the common areas of the Building occasioned by the Tenant its licensees employees invitees agents or contractors or any other person claiming through or under the Tenant.

Contractors' Employees and Licensees etc.

2.26 To be liable for any act default negligence or omission of the Tenant's contractors, customers, agents, employees, invitees or licensees as if it were the act default negligence or omission of the Tenant and to indemnify the Landlord against all costs claims demands expenses or liability to any third party in connection therewith.

Directory Boards

2.27 To pay the Landlord or the Manager immediately upon demand the reasonable cost of affixing repairing altering or replacing as necessary the Tenant's name in lettering to the directory boards at the Building.

Regulations

2.28 To obey and comply with such regulations or rules as may from time to time be made or adopted by the Landlord or the Manager regarding the management and control of the Building and any of the services and facilities and the common areas of the Building.

Security System

- 2.29 To ensure that the Tenant's own security system (if any) within and at the entrance of the Premises is at all times compatible with and linked up to the security system (if any) for the Building provided and operated by the Landlord or the Manager.

Third Party Insurance

- 2.30 To effect and maintain throughout the Term insurance cover in respect of the Tenant's obligations under Clause 2.19 hereof with a reputable insurance company to the satisfaction of the Landlord and to produce to the Landlord as and when so required by the Landlord the policy of such insurance together with the receipt for the last payment of premium and a certificate from the relevant insurance company that the policy is fully paid up and in all respects valid and subsisting, in default of which the Landlord shall be entitled (but not obliged) at the Tenant's expense to effect such insurance cover. The policy of such insurance shall be in the name of the Tenant and endorsed to show the interest of the Landlord in the Building and shall be in such amount as the Landlord shall from time to time stipulate and shall contain a clause to the effect that the insurance cover thereby effected and the terms and conditions thereof shall not be cancelled modified or restricted without the prior written consent of the Landlord.

Insurance of Contents

- 2.31 To be wholly responsible for any loss or damage to property within the Premises including without limitation (including all furniture fixtures fittings the Landlord's fixtures and fittings therein) goods chattels samples personal effects contents and stock and to effect with a reputable insurance company adequate insurance cover for the same in their full replacement value against all risks including without limitation those risks perils or under circumstances for which the Landlord's liability is expressly or impliedly excluded under this Agreement. The Tenant undertakes to produce and make available to the Landlord as and when so required by the Landlord the policy of such insurance together with the receipt for the last payment of premium and a certificate from the relevant insurance company that the policy is fully paid up and in all respects valid and subsisting.

Change of Name

- 2.32 Subject to Clause 4.17, in the event of the Tenant changing its name, to notify the Landlord and the Manager at least seven (7) days prior to such change of name.

Yield Up Premises and Handover

- 2.33 To yield up the Premises quietly at the expiration or sooner determination of the Term in good clean substantial and proper repair and condition (fair wear and tear excepted) AND thereupon to surrender to the Landlord all keys leading to all parts of the Premises and to remove at the Tenant's expense all fixtures, fittings, additions, partitions, floor coverings, erections, and alterations made or installed by the Tenant whether during the Term or at any time prior thereto upon or in the Premises and to re-instate restore and make good any damage caused by such removal or re-instatement Provided that the Tenant's obligations relating to removal or re-

instatement under this Clause may be modified or varied by the Landlord notifying the Tenant in writing that the Landlord requires, without payment of any compensation, to retain all or any of the said fixtures, fittings, additions, partitions, floor coverings, erections, and alterations which the Tenant is otherwise liable hereunder to remove but subject to this proviso, the Tenant shall re-instate, restore and make good the Premises or any part thereof requiring to be re-installed restored or made good and in the event of the Tenant failing so to do the Tenant shall on demand pay to the Landlord the cost of such re-instatement restoration or making good.

LANDLORD'S OBLIGATIONS

3. The Landlord agrees with the Tenant as follows :-

Quiet Enjoyment

3.01 To permit the Tenant duly paying the Rent (and the other charges hereinbefore mentioned) hereby agreed to be paid on the days and in manner herein provided for payment of the same and Government Rates and Government Rent and observing and performing the agreements stipulations terms conditions and obligations herein contained to have quiet possession and enjoyment of the Premises during the Term without any interruption by the Landlord or any person lawfully claiming under or through or in trust for the Landlord.

Property Tax

3.02 To pay the Property Tax and payments of a capital or non-recurring nature attributable to or payable in respect of the Premises.

Roof & Main Structure

3.03 To use its best endeavours or arrange for the Manager to use its best endeavours to amend and repair such inherent defects (not attributable to the act of the Tenant or its invitees licensees servants or agents) to the roof, main electricity supply cables, main drains and water pipes, main walls of the Building and the escalators lifts and central air-conditioning plant therein as the Landlord shall discover or as the Tenant or other authorized person or Authority shall by notice in writing bring to the attention of the Landlord PROVIDED that the Landlord shall be entitled to be given a reasonable period of time within which to view any such defects and to amend and repair the same and PROVIDED further that the Landlord shall be liable neither to pay compensation to the Tenant in respect of any period during which due to circumstances beyond the control of the Landlord the proper operation of the said escalators lifts central air-conditioning plant or any of them shall be interrupted as the result of mechanical failure or need for repair or overhaul nor to grant any abatement of rent or Air-conditioning and Management Charges in respect of such interruption.

To Supply Air-conditioning

3.04 To provide or arrange for central air-conditioning service during the hours and on the days specified in the Part III of the Second Schedule hereto PROVIDED that the electric power for any fan-coil air-cooling and

circulating units installed within or exclusively for the use of the Premises shall be connected to the Tenant's electricity supply meter by the Tenant at its cost and the Tenant shall pay direct to the supply authority or undertaker for the electric power consumed thereby.

Directory Board

3.05 To supply directory boards and to allot space thereon for the Tenant's name to be affixed in such uniform lettering or characters as shall be designated by the Landlord.

Landlord's Fixtures and Fittings

3.06 The Landlord shall provide such fixtures and fittings (being and forming part of the Landlord's fixtures and fittings) for the Premises as are described in the Third Schedule hereto. The Tenant shall not be entitled to demand the provision of any other fixtures and fittings from the Landlord.

RESTRICTIONS AND PROHIBITIONS

4. The Tenant hereby agrees with the Landlord as follows :-

Installation & Alterations & Loading

4.01 Not without the previous written consent of the Landlord to erect install or alter any fixtures partitioning or other erection or installation in the Premises nor without the like consent to install or permit or suffer to be installed any equipment apparatus or machinery including any safe which imposes a weight on any part of the flooring in excess of that for which it was designed. The Landlord shall be entitled to prescribe the maximum weight and permitted location of safes and other heavy equipment and to require that the same stand on supports of such dimensions and material to distribute the weight as the Landlord may deem necessary. In carrying out any approved work hereunder the Tenant shall perform and comply with the provisions of Clause 2.07.

Injury to Main Walls

4.02 Not without the previous written consent of the Landlord to cut drill maim or injure or permit or suffer to be cut drilled maimed or injured any doors windows window-frames walls curtain walling structural membranes or other part of the fabric of the Premises.

Alteration to Exterior

4.03 Not to affix anything or paint or make any alteration whatsoever to the exterior of the Premises.

Inside Faces of Windows

4.04 Not to paint spray or put any thing or substance on the inside faces of the window, window frames and curtain walling of the Premises.

Noise

4.05 Not to cause or produce or suffer or permit to be produced on or in the Premises any sound or noise (including sound produced by playing, operating or broadcasting from CD player, VCD/DVD player, speaker, television, radio and any apparatus or instrument capable of producing or reproducing music and sound) or other acts or things in or on the Premises

which is or are or may be a nuisance or annoyance to the tenants or occupiers of adjacent or neighbouring premises or to users and customers of the same or to the Landlord.

Signs

- 4.06 (1) Not to exhibit or display on or affix any sign signboard, decoration, advertising matter or other device whether illuminated or not outside the Premises nor to affix any writing sign signboard or other device in at or above any common area lobby landing or corridor of the Building Provided always that the Tenant shall be entitled to have the names and business of the Tenant displayed in lettering and/or characters to a design prescribed by the Landlord on a signboard or name-plate at the main door of the Premises. The Tenant shall pay HK\$1,415.00 to the Landlord for the provision and installation of the name-plate bearing the office number and the name of the Tenant on the main door of the Premises. The Manager has provided Directory Board(s) at appropriate location(s) of the Building so that the names and floor(s) of the Tenant may be displayed and the Tenant shall pay HK\$350.00 to the Landlord for provision of the name-plate of the Tenant on the said Directory Board(s). The Landlord and the Manager or their respective agents shall have the right to remove at the expense of the Tenant any signboard, sign, name-plate and decorative device associated therewith affixed or put up or displayed without the prior written approval of the Landlord and the Manager.
- 4.06 (2) Not to exhibit or display on or place behind any glass walls, shop windows or shopfront glass panels of the Premises any products, objects, advertisements, stickers, flyers, etc., without the prior written consent of the Landlord. Upon receipt of a written notice from the Landlord and/or the Manager, the Tenant shall cause the same to be removed immediately. If such is not removed by the Tenant by the date as specified by the Landlord in its sole and absolute discretion, the Landlord shall have the right to arrange for the removal of the same and all costs and expenses necessary and incidental to such removal should be borne by the Tenant and the Landlord, the Manager and its agents shall not be liable for any loss or damages caused directly or indirectly by such removal. The Tenant shall reimburse the Landlord on demand the costs and expenses of and incidental to be removal of the same and indemnify the Landlord and/or the Manager against all losses claims damages and expenses of and against the Landlord and/or the Manager in respect thereof.

Auctions & Sales

- 4.07 Not to conduct or permit any auction bankruptcy close out or similar sale of things or properties of any kind to take place on the Premises.

Illegal Immoral or Improper Use

- 4.08 Not to use or cause permit or suffer to be used any part of the Premises for gambling or for any illegal immoral or improper purposes or in any way so as to cause nuisance annoyance inconvenience or damage or danger to the Landlord or the tenants or occupiers of adjacent or neighbouring premises.

No Touting

- 4.09 Not to permit any touting or soliciting for business or the distributing of any pamphlets notice or advertising matter anywhere within the Building by any of the Tenant's servants agents or licensees.

User

- 4.10 Not to use the Premises for any purpose other than such as are specified in Part IV of the First Schedule hereto but no warranty as to fitness of the Premises for the specific use as aforesaid is given or deemed to be given by the Landlord. The Tenant shall be responsible for obtaining all necessary permits (if necessary) from the appropriate Government authorities for the user of the Premises and shall at all time comply with all rules and regulations laid down by such authorities for giving such permits and shall indemnify the Landlord from and against all proceedings, actions, fines, damages, claims and demands whatsoever which may arise as a result of the non-compliance by the Tenant of such rules and regulations or any of them.

Sleeping or Domestic Use

- 4.11 Not to use the Premises or any part thereof as sleeping quarters or as domestic premises within the meaning of any Ordinance for the time being in force or to allow any person to remain on the Premises overnight without the prior consent in writing of the Landlord. Such permission shall only be given to enable the Tenant to operate his business or to post watchmen to guard the contents of the Premises.

Manufacture & Storage of Merchandise

- 4.12 Not to use the Premises for the production or manufacture of goods or merchandise or for the storage of goods or merchandise other than samples or exhibits reasonably required in connection with the Tenant's business carried on therein nor to keep or store or cause or permit or suffer to be kept or stored any extra hazardous or dangerous goods within the meaning of the Dangerous Goods Ordinance and the regulations thereunder or any Statutory modification or re-enactment thereof.

Obstructions in Passage

- 4.13 Not to place or leave or suffer or permit to be placed or left by any agent customer contractor employee invitee or licensee of the Tenant any boxes furniture articles or rubbish in the entrance or any of the staircases passages or landings of the Building used in common with other tenants or the Landlord or otherwise encumber the same.

Goods & Merchandise Outside the Premises

- 4.14 Not to place expose or leave or permit to be placed exposed or left for display sale or otherwise any goods or merchandise or thing whatsoever upon or over the ground outside the Premises.

Prevention of Odours

- 4.15 Not to cause or to permit any offensive or unusual odours to be produced upon or emanate from the Premises so as to cause in the Landlord's opinion a nuisance to other occupiers or users of the Building.

Animals, Pets & Infestation

- 4.16 Not to keep or permit or suffer to be kept any animals or pets inside the Premises and to take all such reasonable steps and precautions to prevent

the Premises or any part thereof from becoming infested by termites rats mice cockroaches or any other pests or vermin and for the better observance hereof the Landlord may require the Tenant to employ at the Tenant's cost such pest extermination contractors as the Landlord may nominate or approve and at such reasonable intervals as the Landlord may direct.

Subletting & Assigning

- 4.17 Not to assign, transfer, sublet, share or otherwise part with possession of the Premises or any part thereof or any interest therein to any person, firm or body corporate in any way whether by way of subletting, lending, sharing or other means whereby any person not a party to this Agreement obtains the use or possession of the Premises or any part thereof irrespective of whether any rental or other consideration is given for such use or possession and in the event of any such transfer, subletting, sharing, assignment or parting with possession of the Premises (whether for monetary consideration or not) then without prejudice to any other claims, rights and remedies of the Landlord under this Agreement, the Landlord may in its absolute discretion determine this Agreement and shall be entitled to recover from the Tenant all loss and damages sustained by the Landlord as a direct or indirect result of such breach and/or earlier determination and the Tenant shall forthwith vacate the Premises on notice to that effect from the Landlord. The agreement herein shall be personal to the Tenant named in this Agreement and the Tenant shall not sublet part with possession or share occupation of the premises or any part or parts thereof, except its parent, subsidiary and affiliate companies with the prior written consent from the Landlord and without in any way limiting the generality of the foregoing, the following acts and events shall, unless approved in writing by the Landlord (which approval the Landlord may give or withhold in its absolute discretion without assigning any reason therefor), be deemed to be breaches of this Clause :-
- (a) In the case of a tenant which is a partnership, the taking in of one or more new partners whether on the death or retirement of an existing partner or otherwise.
 - (b) In the case of a tenant who is an individual (including a sole proprietor or a sole surviving partner of a partnership tenant) the death, insanity or other disability of that individual, to the intent that no right to use, possess, occupy or enjoy the Premises or any part thereof shall vest in the executors, administrators, personal representatives, next of kin, trustee or committee of any such individual or the admission of new partner or partners.
 - (c) In the case of a tenant which is a corporation any take-over reconstruction amalgamation merger voluntary liquidation or change in the person or persons who directly or indirectly owns or own or controls or control a majority of its voting shares or who otherwise has or have effective control thereof.
 - (d) The giving by the Tenant of a power of attorney or similar authority whereby the donee of the power obtains the right to use possess occupy

or enjoy the Premises or any part thereof or does in fact use possess occupy or enjoy the same.

- (e) The change of the Tenant's business name without the prior written consent of the Landlord.

Breach of Conditions of Government Lease

- 4.18 Not to cause any contravention of the provisions of the Government Lease or Conditions under which the Landlord holds the Premises and to indemnify the Landlord against any such breach.

Breach of Deed of Mutual Covenant

- 4.19 Not to do anything which would amount to a breach or non-observance of the terms, conditions, covenants and restrictions contained or referred to in any Deed of Mutual Covenant relating to the Building and/or the Premises as may be adopted from time to time or deed of dedication or other deed or instrument affecting the Building and to indemnify the Landlord against any such breach or non-observance.

Breach of Insurance Policy

- 4.20 Not to cause or suffer or permit to be done any act or thing whereby the policy or policies of insurance on the Premises or the Building against damage by fire or liability to Third Parties for the time being subsisting may become void or voidable or whereby the rate of premium thereon may be increased, and to repay to the Landlord on demand all sums paid by the Landlord by way of increase in premium thereon and all expenses reasonably incurred by the Landlord in and about any renewal of such policy or policies arising from or rendered necessary by a breach of this Clause.

Passenger lifts

- 4.21 Not to use or cause or suffer or permit to be used any passenger lift for delivery purposes at any time.

Parking & Loading

- 4.22 Not to park in obstruct or otherwise use nor permit to be parked in obstructed or otherwise used by any employee agent or licensee of the Tenant those areas of the Building allocated to parking or movement of or access for vehicles or designated as loading or unloading areas or for goods or merchandise other than in accordance with the Regulations made from time to time by the Landlord or the Manager.

Locks

- 4.23 Not without prior written consent of the Landlord to install additional locks bolts or other fittings to the entrance doors of the Premises or in any way to change or alter those already installed.

Obstruction to Outside Windows

- 4.24 Not to block up darken or obstruct or obscure any of the windows or lights belonging to the Premises without having obtained the express written consent of the Landlord which consent may be given subject to such conditions as the Landlord may in its absolute discretion consider fit to impose.

Aerials

4.25 Not to erect or permit or suffer to be erected on or from any part of the Building or on or within or from any part of the Premises any aerial antenna satellite dish or other device for any telephone network or telecommunication purpose or otherwise, and not to interfere with remove dismantle or alter those common aerials (if any) provided by the Landlord and/or the Manager.

Burning of Incense & Religious Ceremony

4.26 Not to use, or cause or allow or permit to be used, the premises or any part thereof for the purpose of burning incense, 香燭, 冥鏹, 元寶 or 衣紙 or to carry on or perform any kind of religious service or ceremony inside the premises or any part thereof.

EXCLUSIONS

5. IT IS HEREBY FURTHER EXPRESSLY AGREED AND DECLARED that the Landlord shall not in any circumstances be liable to the Tenant or any other person whomsoever :-

Lifts, Air-conditioning Utilities

(a) In respect of any claim loss (including but not limited to loss of profits) or damage to person or property sustained by the Tenant or any other person caused by or through or in any way owing to any malfunctioning defect in or interruption or breakdown of the lifts escalators, central air-conditioning and chilled water supply system electric power and water supplies, central fire warning and fighting apparatus and installations, water sprinklers system or any other service provided in the Building, or

Fire & Overflow of Water & Vermin

(b) In respect of any loss or damage to person or property sustained by the Tenant or any other person caused by or through or in any way owing to the escape of fumes smoke fire or any other substance or thing or the overflow of water from anywhere within the Building or the activity of termites pests, rats or other vermin in the Building, or

Security

(c) For the security of safekeeping of the Premises or any contents therein and in particular but without prejudice to the generality of the foregoing the provision by the Landlord of watchmen and caretakers or any mechanical or electrical systems of alarm (if any) of whatever nature shall not create any obligation on the part of the Landlord as to the security of the Premises or any contents therein and the responsibility for the safety of the Premises and the contents thereof shall at all times rest with the Tenant, nor shall the Rent and other charges hereinbefore mentioned or any part thereof abate or cease to be payable on account of any of the foregoing.

ABATEMENT OF RENT

Suspension of Rent in case of Fire, etc.

6. If the Premises or the Building or any part thereof shall at any time during the Term of this Tenancy be destroyed or damaged owing to fire typhoon Act of God or any other calamity beyond the control of the Landlord and not attributable to the default negligence or omission of the Tenant its servants agents contractors or licensees so as to render the Premises unfit for commercial use and occupation or if at any time during the continuance of this Tenancy the Premises or the Building shall be condemned as a dangerous structure or a demolition order shall become operative in respect of the Premises or the Building the happening of which is not attributable to the default negligence or omission of the Tenant its servants agents contractors or licensees then the Rent hereby reserved or a fair proportion thereof according to the nature and extent of the damage sustained or order made shall after the expiration of the then current month be suspended until the Premises shall again be rendered fit for commercial use or occupation or the aforesaid order lifted as the case may be Provided that the Landlord shall not be obliged to reinstate the Premises or the Building or carry out repairs of damage thereto and that should the Premises or the Building not having been reinstated in the meantime either the Landlord or the Tenant may at any time after four months from the occurrence of such damage or the aforesaid order give to the other of them a reasonable period of notice in writing to determine this Tenancy and thereupon the same and everything herein contained shall cease and be void as from the date of the occurrence of such damage or the aforesaid order or of the Premises becoming unfit for commercial use or occupation but without prejudice to the rights and remedies of either party against the other in respect of any antecedent claim or breach of the agreements stipulations terms and conditions herein contained or of the Landlord in respect of the Rent and other charges payable hereunder prior to the coming into effect of the suspension.

DEFAULT

7. It is hereby expressly agreed and declared as follows :-

Default

7.01 If the Rent, the Air-conditioning and Management Charges and other charges payable by the Tenant hereunder or any part thereof shall be in arrear for fifteen (15) days after the same shall have become payable (whether formally demanded or not) or if the Tenant shall suspend business without the Landlord's prior consent or if there shall be any other breach or non-performance of any of the stipulations conditions or agreements herein contained and on the part of the Tenant to be observed or performed or if the Tenant shall become bankrupt or being a corporation go into liquidation (save for the purposes of amalgamation or reconstruction) or if the Tenant shall suffer execution to be levied upon the Premises or otherwise on the Tenant's goods then and in any such case it shall be lawful for the Landlord at any time thereafter to re-enter on and upon the Premises or any part thereof in the name of the whole in which event whereupon this Agreement shall absolutely cease and determine but without prejudice to any right of action by the Landlord in respect of any outstanding breach or non-observance or non-performance of any of the agreements stipulations and

conditions herein contained and on the Tenant's part to be observed and performed and to deduct all loss and damages thereby incurred from the Deposit and without prejudice to the Landlord's right of forfeiture thereof. All reasonable costs and expenses incurred by the Landlord in demanding payment of the Rent and other charges aforesaid (if the Landlord elects to demand) or the extent of any loss to the Landlord arising out of this Clause shall be paid by the Tenant and shall be recoverable from the Tenant as a debt and be deductible by the Landlord from the Deposit.

Exercise of Right

7.02 A written notice served by the Landlord on the Tenant in manner hereinafter mentioned to the effect that the Landlord thereby exercises the power of re-entry herein contained shall be a full and sufficient exercise of such power without physical entry on the part of the Landlord.

Acceptance of Rent

7.03 The acceptance of any rent by the Landlord hereunder shall not be deemed to operate as a waiver by the Landlord of any right to proceed against the Tenant in respect of any breach non-observance or non-performance by the Tenant of any of the agreements stipulations terms and conditions herein contained and on the part of the Tenant to be observed and performed.

Act of Employees Invitees & Licensees

7.04 For the purpose of these presents any act default neglect or omission of any employee, customer, contractor, invitee or licensee of the Tenant shall be deemed to be the act default neglect or omission of the Tenant.

Distraint

7.05 For the purposes of Part III of the Landlord and Tenant (Consolidation) Ordinance (Chapter 7) and of these presents, the Rent payable in respect of the Premises shall be and be deemed to be in arrears if not paid in advance at the times and in the manner hereinbefore provided for payment thereof.

Interest and Arrears

- 7.06 (1) Notwithstanding anything hereinbefore contained if the Tenant shall fail to pay the Rent, the Air-conditioning and Management Charges, the Government Rates and Government Rent payable in respect of the Premises and/or other moneys herein reserved and payable by the Tenant hereunder or any part thereof within 15 days of the due date the Landlord shall be entitled to recover from the Tenant as a debt interest calculated at the rate of 3% per month on the Rent, the Air-conditioning and Management Charges and the said Government Rates and Government Rent in arrears and/or other moneys unpaid or any part thereof from the date due for payment to the date of actual payment.
- (2) The Landlord shall further be entitled to recover from the Tenant as a debt all Solicitors' and/or Counsel's fees (on a solicitor and own client basis) and court fees incurred by the Landlord for the purpose of recovering any rent in arrears and/or other moneys unpaid or any part thereof from the Tenant or in enforcing any of the provisions of this Agreement against the Tenant and the

Landlord shall further be entitled to supply to such solicitors counsel enquiry or collection agents as the Landlord may appoint such information or personal data in the possession of the Landlord concerning the Tenant as may be necessary for any of the purposes aforesaid without the further consent of the Tenant being obtained.

TENANT'S DEPOSIT

Deposit

8.01 The Tenant shall on the signing hereof and at such other times as herein provided (if any) during the term of tenancy hereby created deposit with the Landlord the sum or sums specified in Part VII of the First Schedule hereto ("the Deposit") to secure the due observance and performance by the Tenant of the agreements stipulations terms and conditions herein contained and on the part of the Tenant to be observed and performed which said deposit shall be held by the Landlord throughout the currency of this Agreement free of any interest to the Tenant with the right for the Landlord (without prejudice to any other right or remedy hereunder or otherwise) to deduct therefrom the amount of any Rent rates and other charges payable by the Tenant hereunder and any costs expenses loss or damage sustained by the Landlord as a result of any non-observance or non-performance by the Tenant of any of the said agreements, stipulations, obligations or conditions. In the event of any deduction being made by the Landlord from the Deposit in accordance herewith during the currency of this Agreement the Tenant shall forthwith on demand by the Landlord make a further deposit equal to the amount so deducted and the failure by the Tenant so to do shall entitle the Landlord forthwith to re-enter upon the Premises and to determine this Agreement as hereinbefore provided.

Repayment of Deposit

8.02 At the expiration or sooner determination of the Term hereby created if the Tenant shall have paid all the Rent, the Air-conditioning and Management Charges and Government Rates and Government Rent and other moneys payable hereunder and if there shall be no breach of any of the said covenants, restrictions, stipulations and conditions on the Tenant's part to be observed and performed the Landlord will repay to the Tenant within 30 days after the Tenant shall have surrendered to the Landlord vacant possession of the Premises the Deposit without any interest thereon but if there shall be any money due to the Landlord, the Landlord may apply such deposit towards payment of such sums due, and if there shall be any breach of any of the said covenants, restrictions, stipulations and conditions on the part of the Tenant the Landlord shall pay or apply the Deposit or such part thereof as shall be required towards remedying such breach insofar as this may be possible without prejudice to any of the Landlord's rights or remedies hereunder provided or otherwise.

Increase in Deposit

- 8.03 Should Part I of the Second Schedule hereto provide for an increase in the Rent or should there be any increase in the Air-conditioning and Management Charges or Government Rates and Government Rent during the Term the Tenant shall upon such increase becoming applicable pay to the Landlord by way of an increase in the Deposit a sum equal to three times the amount of the said increase and the payment of such sum shall be a condition precedent to the continuation of this tenancy.

INTERPRETATION AND MISCELLANEOUS

Condonation Not a Waiver

- 9.01 No condoning, excusing or overlooking by the Landlord of any default, breach or non-observance or non-performance by the Tenant at any time or times of any of the agreements stipulations terms and conditions herein contained shall operate as a waiver of the Landlord's rights hereunder in respect of any continuing or subsequent default, breach or non-observance or non-performance or so as to defeat or affect in any way the rights and remedies of the Landlord hereunder in respect of any such continuing or subsequent default or breach and no waiver by the Landlord shall be inferred from or implied by anything done or omitted by the Landlord, unless expressed in writing and signed by the Landlord. Any consent given by the Landlord shall operate as a consent only for the particular matter to which it relates and shall in no way be considered as a waiver or release of any of the provisions hereof nor shall it be construed as dispensing with the necessity of obtaining the specific written consent of the Landlord in the future, unless expressly so provided.

Letting Notices & Entry

- 9.02 During the three months immediately before the expiration or sooner determination of the Term the Tenant shall permit all persons having written authority to enter and view the Premises at all reasonable times upon prior notice Provided Further that the Landlord shall be at liberty to affix and maintain without interference to the Tenant's use and enjoyment of the Premises upon any external part of the Premises a notice stating that the Premises are to be let or sold and such other information in connection therewith as the Landlord shall reasonably require during the aforementioned period of three months.

Service of Notice

- 9.03 (1) Any notice, consent and other communication required or permitted to be given under the agreement herein shall be in writing and service of the legal process in respect of this Agreement shall, if to be served on the Tenant, be sufficiently served if addressed to the Tenant and sent by ordinary post or facsimile or delivered by person to the address given above or its last known registered office or place of business or residence in Hong Kong and shall, if to be served on the Landlord, be sufficiently served if addressed to the Landlord and sent by

ordinary post or facsimile or delivered by person to the address given above or any other address which the Landlord may notify the Tenant from time to time.

- (2) Any such notice or other communication shall be deemed to be effective when delivered (if by personal delivery), when transmitted (if by facsimile) and 48 hours after posting (if by post).

Gender & Interpretation

- 9.04
- (1) In this Agreement if the context permits or requires words importing the singular number shall include the plural number and vice versa and words importing the masculine feminine or neuter gender, shall include the other of them.
 - (2) The expression "the Tenant" shall (where context permits) mean and include the party or parties specifically named and shall not include the executors and administrators of any such party or where such party is a corporation its successors in title or any liquidators thereof.
 - (3) Where there are two (2) or more individuals and/or corporations included in the expression "the Tenant" the liabilities, covenants, conditions and stipulations expressed or implied to be made by or with the Tenant shall be deemed to be made by or with such individuals and/or corporations jointly and severally and any reference to an obligation to be performed or warranty, undertaking or arrangement given by the Tenant shall be deemed required and undertaken to be performed or given by the individuals and/or corporations named therein jointly and severally.

Marginal Notes & Heading

- 9.05 The marginal notes and headings are intended for guidance only and do not form a part of this Agreement nor shall any of the provisions of this Agreement be construed or interpreted by reference thereto or in any way affected or limited thereby.

Stamp Duty & Legal Costs

- 9.06 The legal costs of the Landlord's Solicitors of and incidental to the preparation and approval of this Agreement and the stamp duty and registration fee (if any) thereon and on its counterpart shall be borne by the parties hereto in equal shares PROVIDED THAT if the Tenant shall instruct his own legal firm of solicitors to act for him in connection with this tenancy, each party shall pay for its own legal costs and expenses.

No Fine

- 9.07 The Tenant acknowledges that no fine premium key money or other consideration has been paid by the Tenant to the Landlord for the grant of this tenancy.

EXCLUSION OF WARRANTIES

- 10.01 This Agreement sets out the full agreement reached between the parties and no other representations have been made or warranties given relating to the Landlord or the Tenant or the Building or the Premises and if any such representation or warranty has been made given or implied the same is hereby waived.
- 10.02 Nothing herein contained or implied nor any statement or representation made by or on behalf of the Landlord prior to the date hereof shall be taken to be a covenant warranty or representation that the Premises can lawfully be used for the use specified herein.

TRANSFER OF THE DEPOSIT

- 11.01 Notwithstanding the above, if at any time during the said Term hereby created, the Landlord shall sell or otherwise assign the Premises to a new owner ("New Owner"), the Landlord may at any time transfer to the New Owner the deposit (subject to the Landlord's right of deduction aforesaid). Upon such transfer and upon the giving of a covenant by the New Owner to repay the Tenant the amount so transferred in accordance with the terms of this Agreement, the Landlord (which in this context shall exclude its assigns) shall be released of its liability and obligation under this Agreement to refund the Deposit or any balance thereof to the Tenant. The Tenant shall claim for the refund of the Deposit or the balance thereof from the New Owner only. The Tenant shall sign such agreement on the aforesaid transfer of deposit if and when so required by the Landlord.
- 11.02 This Agreement shall enure to the benefit of and be binding upon the Landlord and its successors and assigns Provided that upon the assignment of this Agreement or the Premises or any part thereof, the Landlord's obligations hereunder (including without limitation its obligations to refund the Deposit hereunder) shall absolutely cease and be taken up by the assigns of the Landlord.

NAME OF BUILDING

12. The Landlord reserves the right to name the Building or part of the Building with any such name or names or style as it in its sole discretion may determine and at any time and from time to time to change alter substitute or abandon any such name or names and without compensation to the Tenant provided that the Landlord shall give the Tenant and the Postal and other relevant Government Authorities not less than three months' notice of its intention so to do.

TENANT'S OBLIGATIONS NOT AFFECTED

13. This tenancy and the obligation of the Tenant to observe and perform the covenants and agreements on the part of the Tenant herein contained shall in no way be affected impaired or excused because the Landlord is unable to fulfil or is delayed in fulfilling any of its obligations under this tenancy or is unable to make or is delayed in making any repair addition alteration or decoration or is unable to supply or is delayed in supporting any equipment or service hereunder.

NO ENFORCEMENT OF THIRD PARTY COVENANTS

14. Nothing herein contained shall confer on the Tenant any right to the benefit of or to enforce any covenant or agreement contained in any lease or tenancy agreement or any other instrument relating to any other part or parts of the Premises or to any other premises belonging to the Landlord or limit or affect the right of the Landlord to deal with the same now or at any time hereafter in any manner which the Landlord may think appropriate and this tenancy shall not be deemed to include and shall not operate to convey or let to the Tenant any ways liberties privileges easements rights or advantages whatsoever in through over or upon any land or premises adjoining or near to the Premises except as herein expressly provided.

NO IMPLIED COVENANTS

- 15.01 The Landlord shall be under no obligation to provide or supply to the Tenant or arrange for the same services or other things as the Landlord may be providing or supplying or arranging to any other part or parts of the Building or to any other premises belonging to the Landlord or to the tenants or occupiers thereof, nor to provide or supply or arrange for any services or other things save those services or things which the Landlord hereinbefore expressly covenants to provide or supply or arrange for.
- 15.02 Notwithstanding anything in any provision contained in this tenancy the Landlord shall not be liable to the Tenant nor shall the Tenant have any claim against the Landlord in respect of any interruption in any of the services or things which the Landlord provides or supplies or arranges by reason of :-
- (a) any necessary inspection overhaul repair or maintenance of any plant equipment installation or apparatus or damage thereto or destruction thereof by reason of electrical mechanical or other defect or breakdown; or
 - (b) inclement conditions or shortage of fuel materials water or labour; or
 - (c) whole or partial failure or stoppage of any mains supply; or
 - (d) any other circumstances of whatsoever nature beyond the control of the Landlord or the Manager.

CHANGES IN COMMON AREAS

16. The Landlord shall be entitled at any time and from time to time to extend or reduce the areas of the entrances landings corridors staircases passages lobbies or other parts of the Building intended for common use or to make or cause to be made changes or alterations thereto or to common facilities (including but not limited to lifts, escalators and toilets) for whatsoever reason as may be determined by the Landlord without incurring any liability to the Tenant on any account whatsoever.

SEVERANCE

17. If any part or any provision of this Agreement shall to any extent be invalid or unenforceable the remainder of such provision and all other provisions of this Agreement shall remain valid and enforceable to the fullest extent permitted by law.

TENANT'S EFFECTS

18. The Tenant hereby irrevocably appoints the Landlord as its agent to deal with at the Tenant's risk and expense any of the Tenant's effects left on or about the Premises for more than seven days after the end of the Term to the intent that the Landlord may without liability to the Tenant dispose of or destroy or otherwise deal with the same as the Landlord shall think fit.

USE OF OTHER PREMISES

19. The Tenant shall not be entitled to complain about nor shall the Tenant have any claim against the Landlord in respect of any alleged noise or nuisance or interference with its user of the Premises due to any operations being carried on in other parts of the Building, whether by the Landlord or any other owner or by any of their respective tenants licensees or occupiers.

DEED OF MUTUAL COVENANT

20. If the Landlord shall at any time cease to be the sole registered owner of the Lot and/or the Premises the Landlord shall be at liberty to enter into any deed(s) of mutual covenant and/or management agreement(s) in relation to the Premises as it sees fit provided that no such deed of mutual covenant or management agreement shall contain any covenant term or condition which shall unreasonably limit or restrict the proper use by the Tenant of the Premises pursuant to and in accordance with the whole provisions of this Tenancy Agreement.

SALE AND REDEVELOPMENT

21. If at any time during the tenancy hereby created the Landlord shall enter into a contract for the sale of the Building or of any part thereof which shall include the Premises or if the Landlord shall resolve to redevelop the Building or any part thereof whether wholly by demolition and rebuilding or otherwise, or partially by renovation, refurbishment or otherwise (which intention so to redevelop shall be sufficiently evidenced by a copy of Resolution of its Directors certified to be a true and correct copy by its Secretary) then in either of such events the Landlord shall be entitled to give six clear calendar months' notice in writing expiring at the end of any calendar month during the tenancy hereby created terminating this Agreement and immediately upon the expiration of such notice this Agreement and everything herein contained shall cease and be void but without prejudice to the rights and remedies of either party against the other in respect of any antecedent claim or breach of any of the agreements or stipulations herein set out.

RENT-FREE PERIOD

22. If there shall be any rent-free period, the terms contained in the Fourth Schedule hereto shall be deemed to be incorporated herein.

SPECIAL CONDITIONS

23. The parties hereto hereby agree to the special condition(s) (if any) set out in the Fifth Schedule hereto and in the event of any contradiction or inconsistency between such special condition(s) and the foregoing terms the provisions of such special conditions shall prevail.

LAW

24. This Agreement shall be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region. The Tenant agrees to submit to the non-exclusive jurisdiction of the Courts of Hong Kong Special Administrative Region in relation to all matters arising from this Agreement.

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THE FIRST SCHEDULE ABOVE REFERRED TO

PART I

The Tenant : **Crosstec Business Management Limited**
B/R No. 30041866-000-04-22-4
of 20/F, 625 King's Road, North Point, Hong Kong

PART II

Premises : Office Whole of Ninth Floor of the Building known as Olympia Plaza, No.255 King's Road, North Point, Hong Kong erected on all that piece of land registered in the Land Registry as Section E of Marine Lot No.321 which premises are shown for the purpose of identification only coloured pink on the plan annexed hereto.

PART III

Term : For the term of **THREE (3) YEARS** commencing on the **1st day of February, 2023** and expiring on the **31st day of January, 2026** (both days inclusive).

PART IV

User : Offices and ancillary purposes.

PART V

Fitting Out
Deposit : HONG KONG DOLLARS FORTY FIVE THOUSAND ONLY
(HK\$45,000.00).

PART VI

Temporary Power
Supply Fees : HK\$100.00 per calendar day for each of the 30 Amp single phase temporary power point with a minimum charge on 7 days' basis or HK\$1,000.00 whichever is the greater.

PART VII

Deposit : **HK\$645,986.70** equivalent to Three months' Rent, Air-conditioning and Management Charges, Government Rates and Government Rent.

THE SECOND SCHEDULE ABOVE REFER TO

PART I

THE RENT

HK\$155,060.00 per month throughout the Term.

PART II

THE AIR-CONDITIONING AND MANAGEMENT CHARGES

Initially **HK\$48,843.90** per month.

Such charges are payable in respect of inter alia the provision for the Premises of central air-conditioning service during Normal Business Hours as hereinafter defined Provided that air-conditioning services will not be provided to the Premises until completion of all the Tenant's Works.

For air-conditioning outside Normal Business Hours the Tenant shall pay such sum as shall from time to time be prescribed by the Landlord or the Manager.

PART III

NORMAL BUSINESS HOURS

Normal Business Hours means the hours between 8:30 a.m. to 6:00 p.m. on each Monday to Friday and between 8:30 a.m. to 1:00 p.m. on each Saturday (Sundays and Public Holidays being excluded).

THE THIRD SCHEDULE ABOVE REFERRED TO

THE LANDLORD'S FIXTURES AND FITTINGS

- (a) Standard fire sprinkler system;
- (b) Office entrance door with locks;
- (c) Concrete floor;
- (d) Ceiling system on a modular grid with ceiling panels; and
- (e) Central air-conditioning system.

THE FOURTH SCHEDULE ABOVE REFERRED TO

RENT-FREE PERIOD

The Tenant shall be entitled to occupy the Premises for the period of **SEVEN (7) MONTHS commencing from 01/02/2023 to 30/04/2023, from 01/02/2024 to 31/03/2024, and from 01/02/2025 to 31/03/2025**, free of rent Provided that during the said rent-free period all the Air-conditioning and Management Charges, Government Rates and Government Rent, electricity charges and all other outgoings payable in respect of the Premises shall be borne by the Tenant absolutely.

THE FIFTH SCHEDULE ABOVE REFERRED TO

1. “AS IS” CONDITIONS

The Premises are let on an “as is” basis. The Tenant declares and confirms that it has duly inspected and is fully satisfied with and accepts in all respects the existing state condition and finishes of the Premises and/or the Building and shall not make any objection or raise any requisition whatsoever thereto or in connection therewith. The Landlord makes no warranty or representation as regards the state condition and finishes of the Premises and/or the Building or the fixtures fittings installations structures decorations and erections therein or thereto (if any).

2. OPTION TO RENEW

- (a) If the Tenant shall be desirous to renew this Agreement, the Tenant shall not earlier than six months nor less than three months before the expiration of the term of tenancy hereby granted give to the Landlord notice in writing of such desire, and subject to and conditional upon that the Tenant shall have paid the rent hereby reserved and shall have performed and observed the terms and conditions herein contained and on its part to be performed and observed up to the expiration of the term hereby granted, the Landlord will let the Premises to the Tenant for a further term of **THREE (3) YEARS** ("the Additional Term") from the date of expiry of the term hereby created ("the Commencement Date") on the same terms and conditions as herein contained (save and except this clause for renewal) but at a new rent to be ascertained as provided in Clause (b),(c) and (d) hereunder.
- (b) The rent for the Additional Term ("the New Rent") shall be the then open market rent for prime office accommodation in the district where the Premises are located and which shall be mutually agreed between the parties hereto but failing agreement thereon not less than two months prior to the Commencement Date, the New Rent shall be determined by an independent professional valuer or firm of professional valuers appointed by the President for the time being of the Hong Kong Institute of Chartered Surveyors on the application of either party and such valuers' decision shall be final and binding on the parties hereto PROVIDED that in any event the

New Rent shall not be less than HK\$155,060.00 per month exclusive of Government Rent, Government Rates, Air-conditioning and Management Charges and other outgoings and shall be capped at HK\$170,566.00 per month. **A new Lease will then be signed by the Landlord and the Tenant.**

- (c) In determining the New Rent for the Additional Term, the valuer shall act as an expert and not as an arbitrator and shall take into account the open market rent for prime office accommodation in the district where the Premises are located obtainable at the time of such determination on the following assumptions as that date :-
- (i) that the Premises are fit for immediate occupation and use and that no work has been carried out thereon by the Tenant or its successors in title during the term which has diminished the rental value of the Premises and that in case the Premises have been destroyed or damaged that they have been fully restored;
 - (ii) that the Premises are available to let by a willing landlord to a willing tenant without a premium but with vacant possession and subject to the provisions of this Tenancy Agreement for a term equal to the Additional Term;
 - (iii) that the covenants herein contained on the part of the Tenant have been fully performed and observed, but disregarding :-
 - (a) any goodwill will attributable to the Tenant's business;
 - (b) the value of any fixtures and fittings or any other improvements to the Premises made by the Tenant;
 - (c) the fact that the Tenant or its predecessors in title have been in occupation of the Premises; and
 - (d) the fact that the Premises are large in size or may be considered to be larger in size than is usual for such an office tenancy.
- (d) Until the New Rent shall have been determined in accordance with paragraphs (b), (c) and (d) above, the Tenant shall continue to pay monthly on account of the New Rent the same rent as payable hereunder at the expiration of the term hereby granted and within twenty-one (21) days of such determination the Tenant shall pay to the Landlord any difference between the rent paid by the Tenant until such determination and that which ought pursuant to such determination to have been paid plus such amount of interest as may be directed by the valuer. If such difference in rent is in favor of the Tenant, the full amount thereof shall be deducted from the next succeeding rental payments.
- (e) The costs and expenses of the said valuer including the costs of his appointment shall be borne by the parties hereto in equal shares.

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AS WITNESS the hands of the parties hereto the day and year first above written.

SIGNED by *KWAN SUK KUEN BILLY*
KWAN PO KAY TANIA)
its Directors for and on behalf of the)
Landlord in the presence of :-)
Caron

For and on behalf of
KA CHEE COMPANY LIMITED

Billy Kwan Tania
.....
Director(s)

SIGNED by)
)
for and on behalf of the Tenant)
in the presence of :-)
Ken Lam

For and on behalf of
CROSSTEC Business Management Limited
易緯商業管理有限公司

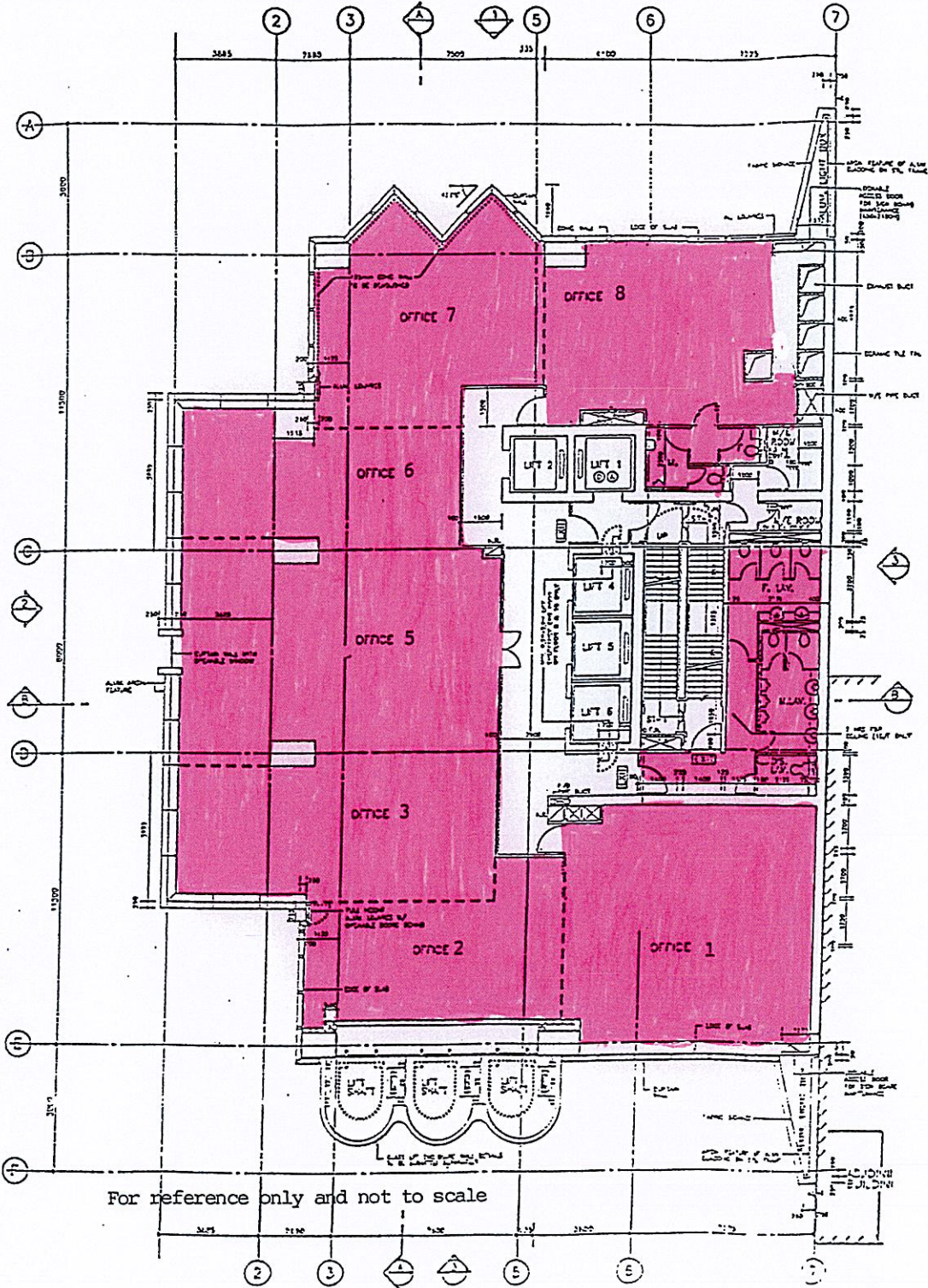
[Signature]
.....
Authorized Signature(s)

RECEIVED on or before the day and year first above written of)
and from the Tenant the sum of **DOLLARS SIX HUNDRED**)
FORTY FIVE THOUSAND NINE HUNDRED EIGHTY SIX) **HK\$645,986.70**
& 70/100 ONLY Hong Kong Currency being the deposit money)
above expressed to be paid by the Tenant to the Landlord.)

For and on behalf of
KA CHEE COMPANY LIMITED

Billy Kwan Tania
.....
Director(s)

9/F - Olympia Plaza
255 King's Road



Dated the 16th day of January, 2023.

KA CHEE COMPANY LIMITED

(家志有限公司)

And

**CROSSTEC BUSINESS MANAGEMENT
LIMITED**

TENANCY AGREEMENT

of

Office **Whole** of Ninth Floor of Olympia Plaza, 255
King's Road, Hong Kong

DATE: 14 DECEMBER 2022

CROSSTEC GROUP HOLDINGS LIMITED
(as “Company”)

and

GLORY SUN SECURITIES LIMITED
(as “Placing Agent”)

PLACING AGREEMENT

THIS AGREEMENT is made on 14 December 2022

BETWEEN:

- (1) **CROSSTEC GROUP HOLDINGS LIMITED**, a company incorporated in Cayman Islands with limited liability whose registered office is situated at Windward 3, Regatta Office Park, PO Box 1350, Grand Cayman KY1-1108, Cayman Islands and having a principal place of business at 20th Floor, 625 King's Road, North Point, Hong Kong (the "**Company**"); and
- (2) **GLORY SUN SECURITIES LIMITED**, a company incorporated in Hong Kong whose registered office and principal place of business is at Unit 1908, 19/F, Tower 2, Lippo Centre, No. 89 Queensway, Hong Kong (the "**Placing Agent**").

WHEREAS:

- (A) The Company was incorporated in the Cayman Islands with limited liability and its issued shares are listed on The Stock Exchange of Hong Kong Limited (Stock Code: 3893).
- (B) At the date hereof, the Company has an authorised share capital of HK\$ 100,000,000 divided into 250,000,000 Shares of HK0.4 each, which 72,000,000 ordinary shares have been issued and fully paid or credited as fully paid.
- (C) The Company has agreed to appoint the Placing Agent, and the Placing Agent has agreed to act, as the placing agent of the Company, to procure not less than six subscribers for the Placing Shares (as defined below) on a best effort basis upon the terms and subject to the conditions set out in this Agreement.
- (D) The Placing Shares are to be issued by the Company under the General Mandate and, therefore, the issue of the Placing Shares will not be subject to the approval of the Shareholders.

IT IS HEREBY AGREED:

1. INTERPRETATION

1.1. In this Agreement, including the recitals hereto, the words and expressions set out below shall have the meanings attributed to them below unless the context otherwise requires:-

“Agreement”	this placing agreement as amended or varied from time to time by an agreement in writing duly executed by the Parties;
“Business Day”	a day (other than a Saturday, Sunday, public holiday in Hong Kong and a day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are open for general business;
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the laws of Hong Kong) as amended, modified and/or otherwise supplemented from time to time;
“Completion”	completion of this Agreement in accordance with the provisions of Clause 5;
“Completion Date”	the third Business Day following the fulfillment of the condition specified in Clause 2.6 or such other date agreed by the Company and the Placing Agent;
“General Mandate”	the general mandate granted to the directors of the Company pursuant to an ordinary resolution passed by the Shareholders at the annual general meeting of the Company convened and held on 3 December 2021 to issue and allot up to 20% of the share capital of the Company in issue on the date of the passing of the relevant ordinary resolution;
“Group”	the Company and its subsidiaries;

“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Listing Rules”	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited as amended, modified and/or otherwise supplemented from time to time;
“Long-stop Date”	11 January 2023;
“Ordinary Shares”	ordinary shares of HK\$0.4 each in the capital of the Company;
“Parties”	the named parties to this Agreement and their respective successors and permitted assigns and the expression “Party” shall be construed accordingly;
“Permitted Issuances”	the issue of options, rights or Shares (a) pursuant to the employee share option scheme of the Company; or (b) as a result of any conversion of any outstanding convertible bonds/notes of the Company;
“Placee”	any professional, institutional and/or other investors independent of the Group and its connected persons (as defined in the Listing Rules) procured by or on behalf of the Placing Agent and/or any of its agent(s) to subscribe for any of the Placing Shares pursuant to the Placing Agent’s obligations hereunder;
“Placing”	the offer by way of private placing of the Placing Shares by the Placing Agent pursuant to Clause 2 upon the terms and subject to the conditions set out in this Agreement;
“Placing Announcement”	the announcement in the agreed form proposed to be issued on behalf of the Company as soon as reasonably practicable immediately following the execution of this Agreement (subject to such amendments as the Stock Exchange may require);
“Placing Period”	the period commencing upon the execution of this

	Agreement and ending on the Completion Date;
“Placing Price”	the price of HK\$0.4 per Placing Share;
“Placing Shares”	up to a total of 14,400,000 new Ordinary Shares to be placed pursuant to Clause 2 upon the terms and subject to the conditions set out in this Agreement;
“SFC”	Securities and Futures Commission of Hong Kong;
“SFO”	Securities and Futures Ordinance (Chapter 571 of the laws of Hong Kong) as amended, modified and/or otherwise supplemented from time to time;
“Shares”	Ordinary Shares of HK\$0.4 each in the capital of the Company;
“Shareholders”	holders of the issued Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited; and
“Subsidiary”	has the meaning ascribed to it under the Companies Ordinance as at the date hereof.

- 1.2. In this Agreement, references to “Recitals”, “Clauses”, and “sub-Clauses” are to recitals, clauses and sub-clauses of this Agreement.
- 1.3. In this Agreement, the singular includes the plural, words importing one gender include the other gender and the neuter and references to persons include bodies corporate or unincorporate, in each case vice versa.
- 1.4. In this Agreement (save as otherwise expressly stated herein), references to any statutes or statutory provision or any rule or regulation (whether or not having the force of law) shall be construed as references to the same as amended, varied, modified, consolidated or re-enacted from time to time (whether before or after the date of this Agreement) and to any subordinate legislation made under such statutory provision.
- 1.5. Any reference to a document being "in the agreed form" means in the form of the document or the draft thereof signed for identification on behalf of the Company and the Placing Agent (as such other parties as may be relevant) with (in the case

of a draft) such alterations (if any) as may be agreed between the Company and the Placing Agent (as such other parties as may be relevant).

- 1.6. The Recitals form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement and any reference to this Agreement shall include the Recitals.
- 1.7. Headings of this Agreement are inserted for convenience only and shall not affect the interpretation of this Agreement.

2. PLACING

- 2.1. Subject to Clauses 2.6 and 2.7 and the provisions of Clause 5, the Placing Agent agrees to act as the placing agent of the Company to procure not less than six Placees on a best effort basis for the Placing Shares at the Placing Price (together with such brokerage, transaction levy imposed by the SFC and the Stock Exchange trading fee as may be payable) on the terms and subject to the conditions set out in this Agreement,
- 2.2. The Company hereby appoints the Placing Agent as its placing agent to procure not less than six Placees for the Placing Shares on a best effort basis on the terms and subject to the conditions set out in this Agreement. Any transaction lawfully, reasonably and properly carried out by the Placing Agent pursuant to this Agreement shall constitute a transaction carried out by the Placing Agent at the request of the Company and as its placing agent and not on account of or for the Placing Agent. The Placing Agent shall not be responsible for any loss or damage (except for any loss or damage arising out of any fraud, willful default or negligence on the part of the Placing Agent) to the Company arising from any such transaction or for any alleged insufficiency of the price (otherwise than as a result, of non-compliance by the Placing Agent with its obligations under this Agreement) at which the Placing Shares are sold hereunder.
- 2.3. The Company hereby confirms that the foregoing appointment confers on the Placing Agent in accordance with the provisions hereof all powers, authorities and discretions on their behalf which are necessary for, or reasonably incidental to, the Placing and hereby agrees to approve, confirm and ratify everything which the

Placing Agent shall lawfully and reasonably do or have done pursuant to or in anticipation of the terms and conditions of this Agreement.

- 2.4. The Placing Shares shall be offered by the Placing Agent as placing agent for the Company at the Placing Price (together with such brokerage, transaction levy imposed by the SFC and the Stock Exchange trading fee as may be payable by Placees) to whom it reasonably believes to be independent investors not connected with or acting in concert with the directors, chief executive or substantial shareholders (as defined in the Listing Rules) of the Company or any of its subsidiaries who will not be connected persons (as defined in the Listing Rules) of the Company or any of their respective associates (as defined in the Listing Rules), during the Placing Period, provided that no Placing Shares shall be offered to or placed with any person in circumstances which would constitute an offer to the public in Hong Kong within the meaning of the Companies Ordinance or in any other place or in any manner in which the securities laws or regulations of any place may be infringed.
- 2.5. Subject to Clauses 2.6 and 2.7 and the provisions of Clause 5, the Company agrees to allot and issue the Placing Shares, credited as fully paid.
- 2.6. The Placing is conditional upon the Listing Committee of the Stock Exchange granting approval for the listing of, and permission to deal in, the Placing Shares.
- 2.7. In the event that the condition specified to in Clause 2.6 is not fulfilled by the Long-stop Date (or such other date as may be agreed by the Placing Agent and the Company), all rights, obligations and liabilities of the Parties hereunder in relation to the Placing shall cease and determine and none of the Parties shall have any claim against any other party in respect of the Placing save for any antecedent breaches hereof.

3. WARRANTIES AND UNDERTAKINGS

- 3.1. In consideration of the Placing Agent entering into this Agreement and agreeing to perform its obligations hereunder, the Company hereby represents, warrants and undertakes to the Placing Agent as follows:-

- (a) all statements of fact contained in the Placing Announcement are true and accurate and not misleading in all material respects and all statements of opinion, intention or expectation of the directors of the Company in relation to the Company and/or any other member(s) of the Group contained therein (if any) are truly and honestly held and have been made on reasonable grounds after due and careful consideration, and there is no other material fact or matter omitted therefrom the omission of which would make any statement therein misleading in any material respect or which is otherwise material in the context of the Placing;
- (b) save as previously disclosed to the public in writing and so far as the Company is aware, there is no litigation, arbitration or other legal proceedings in progress or pending any member of the Group which if decided adversely would have or have had a material adverse effect on the financial condition of the Group as a whole or which is material for disclosure in the context of the Placing;
- (c) save as previously disclosed to the public in writing and so far as the Company is aware, there has been no material adverse change in the financial condition of the Group as a whole since 30 June 2022;
- (d) each member of the Group is duly incorporated and validly existing under the laws of the place of its incorporation and each member of the Group has power to own its assets and to conduct its business in the manner presently conducted and the Company is not aware of any petition filed, order made or effective resolution passed for the liquidation or winding up of any member of the Group;
- (e) save as previously disclosed to the public in writing and so far as the Company is aware, it is not in material breach of any provision of the Listing Rules or any rule, regulation or requirement of the Stock Exchange or any provision of the SFO or any rule of requirement of the SFC and, other than the condition set out in Clause 2.6, all necessary consents (if any) have been obtained from the Stock Exchange and other authority to complete the Placing in the manner contemplated;

- (f) save as previously disclosed to the public in writing and in the media so far as the Company is aware, there is no enquiry, investigation, order, decree or judgement of any court or governmental agency or regulatory body outstanding against any director of the Company or any member of the Group which may have a material adverse effect upon the financial condition of the Group (taken as a whole) or which is material in the context of the Placing;
- (g) no material outstanding indebtedness of any member of the Group has become payable or repayable by reason of any default of any member of the Group and no event has occurred which may result in such indebtedness becoming payable or repayable prior to its maturity date, in a demand being made for such indebtedness to be paid or repaid or in any step being taken to enforce any security for any such indebtedness of any member of the Group;
- (h) save as previously disclosed to the public in writing and so far as the Company is aware or otherwise in the ordinary course of business, no member of the Group is a party to or under any obligation which is material and which is of an unusual or unduly onerous nature; no member of the Group is in breach of or in default of any contract or agreement which may have or has had a material adverse effect upon the financial condition of the Group (taken as a whole) or; which is material for disclosure;
- (i) the audited consolidated accounts for the Company for the financial year ended on 30 June 2022:
 - (i) have been prepared on a consistent basis (save as disclosed therein) and in accordance with generally accepted accounting principles in Hong Kong;
 - (ii) show a true and fair view of the state of affairs of the Group as at 30 June 2022 and of its results for the period in question;
- (j) the Company has power under its constitutional documents to enter into this Agreement and this Agreement has been duly authorised and when

duly executed, constitutes legally binding and enforceable obligations of the Company; and

- (k) except for the Permitted Issuances, no unissued share capital of any member of the Group is under any option or agreed conditionally or unconditionally to be put under any option and no person has any outstanding warrant, pre-emptive right or any other right of any description to require shares to be allotted or issued by any member of the Group;

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

- (a) the Placing Shares when issued will be allotted and issued in accordance with its constitutional documents, with all relevant laws of Hong Kong and the Cayman Islands and the rules and regulations of the Stock Exchange and will rank *pari passu* in all respects with all other Shares in issue as at the Completion Date;
- (b) subject to the condition set out in Clause 2.6 being satisfied, the Company has full power and authority to issue the Placing Shares; and
- (c) the Placing Shares will, on allotment and issue, be free from all liens, charges, encumbrances and third party rights of whatsoever nature and together with all rights attaching thereto at the date of such allotment, including the right to receive all dividends and other distributions which may be declared, made or paid in respect of the Shares, the record date for which shall fall on or after the Completion Date.

3.3. Each of the Parties hereby undertakes to the other to procure that no disclosure or public announcement or communication (other than the Placing Announcement) concerning the Placing which is material in relation to the Placing shall be made or despatched between the date hereof and the Completion Date without the prior written consent of the other Parties as to the context, timing and manner of making or despatch thereof, save as required by law or the Stock Exchange or the SFC.

3.4. The representations and warranties contained in this Clause 3 are deemed to be

given as at the date hereof and shall remain in full force and effect notwithstanding the Completion. Each of the Company and the Placing Agent (as the case may be) hereby undertakes to notify the other Party of any matter or event coming to its attention prior to Completion which would be reasonably considered to render or have rendered any relevant representation or warranty to untrue or inaccurate at the date hereof or at any time prior to Completion.

4. PLACING AGENT'S WARRANTIES AND UNDERTAKINGS

4.1. The Placing Agent represents, warrants and undertakes to the Company as follows:

- (a) the Placing will be a private placement of securities and not an offer to public within the meaning of the Companies Ordinance and that it will procure Places for the Placing Shares only in the course of communications with them over the telephone and without the despatch of documents until after legally binding commitments to subscribe the Placing Shares (or any part thereof) have been obtained from each Placee in the course of such communications;
- (b) that it will confine all statements it makes during the course of those communications referred to in sub-clause (a) above strictly within the limits of the information contained in the Placing Announcement;
- (c) neither the Placing Agent nor any of the affiliates or persons acting on behalf of the Placing Agent has made or will make, in their respective capacities as agent of the Company in connection with the Placing, to any person to whom any of the Placing Shares may be offered any representation or statement regarding the Company or its subsidiaries or the financial or business position or prospects of the Company or its subsidiaries which has not at the time of making the same been disclosed to the public in writing by the Company;
- (d) that it will ensure that the terms and conditions on which each Placee will subscribe for the Placing Shares and the number of such Placing Shares to be subscribed are covered in precise terms and agreed with each Placee, such terms and conditions to be identical with respect to each Placee and

which shall provide that each subscription is conditional on the condition set out in Clause 2.6 of this Agreement being satisfied;

- (e) that it will not, directly or indirectly, offer or sell any Placing Shares or distribute or publish any documents in relation to the Placing in any country or jurisdiction except under circumstances that will result in compliance with any applicable laws and regulations and all offers and sales of the Placing Shares and the distribution and publication of any document relating thereto will be made in compliance with those laws and regulations;
- (f) no action has been or will be taken directly or indirectly in any jurisdiction that would result in a public offering of the Placing Shares and neither it nor persons acting on its behalf will offer or sell any Placing Shares otherwise than in compliance with applicable laws and regulations in each jurisdiction in which any such offer or sale takes place, and without prejudice to the generality of the foregoing, as the Placing Shares have not been and will not be registered under the US Securities Act, they may not be offered, sold, transferred and delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the US Securities Act, and accordingly the Placing Shares have not been and will not be offered or sold to a buyer in the United States, except to those persons it reasonably believes to be qualified institutional buyers (as defined in Rule 144A under the US Securities Act). Neither it nor any person acting on its behalf has engaged or will engage in any directed selling efforts in the United States (as defined in Regulation S under the US Securities Act) or any form general solicitation or general advertising (each as used in Rule 5.02(c) of Regulation D under the US Securities Act) with respect to the Placing Shares;
- (g) that it will use reasonable endeavours to satisfy itself that, and will obtain a written confirmation from each Placee procured by it for the Placing Shares that, the Placee and its ultimate beneficial owners (if any) will be third parties independent of, and not acting in concert with, the directors, chief executive or substantial shareholders of the Company or its subsidiaries or

any of its or their respective associates and will not be connected persons of the Company. For the purposes of this Clause 4.1(g), “associates” and “connected persons” shall have the same meanings ascribed thereto under the Listing Rules;

- (h) that it shall make available and promptly supply, or procure the Placees of the Placing Shares to make available and promptly supply, to the Stock Exchange and/or the SFC all information in relation to the Placees of the Placing Shares which may be required by the Stock Exchange and/or the SFC;
- (i) that it shall uses reasonable endeavours to satisfy itself that each of the Placees shall not hold such Placing Shares, as represent 10% or more of the Company’s existing issued share capital as at the date hereof and as the Completion Date;
- (j) that it has full power to enter into and perform its obligations under this Agreement and this Agreement will, when executed, constitute binding obligations on the Placing Agent in accordance with its terms;
- (k) that it will comply with the requirements provided under the Listing Rules (including without limitation Appendix 6 thereto) and all applicable laws and regulations in each jurisdiction in which it may offer Placing Shares;
- (l) that it will procure that its sub-underwriters and sub-agents (if any) will observe, agree to and comply with, and will be bound by, the provisions of this Clause 4.1 as if such sub-underwriters and sub-agents (as the case may be) were parties hereto for the purposes of this Clause 4.1 (but the Placing Agent shall nevertheless remain liable for all acts and omissions of any sub-underwriters and sub-agents appointed by it);
- (m) that it shall procure that all of the sub-placing or sub-underwriting agents (if any) will make the warranties and undertakings set forth in this Clause 4; and
- (n) it will, to the extent it may reasonably do so, cooperate with the Company

to assist the Company to comply with any applicable law, regulation or direction of the Stock Exchange, the SFC or any other applicable regulatory body in connection with the Placing.

- 4.2. The Placing Agent shall, if so required, deliver to the Stock Exchange as soon as practicable a duly signed marketing statement in the form of Form D of Appendix 5 to the Listing Rules (with a copy to be forwarded to the Company concurrently).
- 4.3. The Placing Agent represents, warrants and undertakes to the Company that it has not taken, and will not take, directly or indirectly, any action which is designed to or which has constituted or which might reasonably have been expected to cause or result in stabilisation or manipulation of the price of the Placing Shares, except for stabilisation activities conducted in accordance with applicable laws and the Stock Exchange requirements.
- 4.4. The Placing Agent shall provide (and procure the sub-placing agents to provide) a list of the Placees to the Stock Exchange and (if required) the Executive Director of the Corporate Finance Division of the SFC (or any delegate of the Executive Director).

5. COMPLETION

- 5.1. Completion shall take place on the Completion Date at the principal place of business in Hong Kong of the Company when all (but, not part only) of the following business shall be transacted:
 - (a) the Placing Agent shall at Completion (i) deliver to the Company copy of the Placing Agent's confirmation of independence of the Placees or such other person(s) as nominated by Placees submitted to the Stock Exchange and shall notify the Company in writing the names of the Placees (and/or their respective nominees (if any)) and the number and denomination of the Placing Shares to be issued and allotted to them and/or the particulars of the relevant CCASS participants' account or investor participants' account at least two Business Days prior to the Completion Date, and (ii) effect payment to the Company by either the delivery of one or more cashier's order(s) issued by a licensed bank in Hong Kong or payment of an amount

in immediately available funds in Hong Kong dollars made for value in such manner as shall be found by the Company in its reasonable opinion to be acceptable equal to the aggregate Placing Price payable for the aggregate number of Placing Shares so subscribed (after deduction of the placing fees and expenses referred to under Clause 6); and

(b) the Company shall allot and issue credited as fully paid to the Placees (and/or their respective nominees (if any)) the Placing Shares and shall procure that the Placees and/or such nominees are registered on the branch register of members of the Company in Hong Kong in respect thereof.

5.2. Against compliance with Clause 5.1, the Company shall deliver or procure the delivery on the Completion Date to the Placing Agent definitive share certificates for the Placing Shares in board lots or an integral multiple thereof issued in the name of the respective Placees (and/or the Placing Agent) (or their respective nominees) and in accordance with instructions given in the application to be delivered as referred to above or, if so required by any Placee, share certificates for the Placing Shares to the depositary for HKSCC Nominees Limited for credit to such CCASS participants' accounts or investor participants' accounts as may be designated by such Placee.

5.3. The Placing Agent shall ensure that it receives a confirmation, in a form it thinks appropriate, from each Placee and satisfy itself from the Placees that the Placees will be third parties independent of and not acting in concert with the directors, chief executive or substantial shareholders of the Company or its subsidiaries or any of its or their respective associates and will not be connected persons of the Company. The Placing Agent shall as soon as practicable after Completion and in any event within the time limits (if any) imposed by the Stock Exchange and the relevant regulatory authorities provide particulars of the Placees to the Company direct, including names, addresses, number of Placing Shares acquired and such other information as required by the Stock Exchange and/or the relevant regulatory authority or governmental agency in Hong Kong for delivery to the Stock Exchange and/or the relevant authority or governmental agency in Hong Kong and warrant that it has all necessary authorisations from the Placees in connection therewith.

6. PLACING FEES AND EXPENSES

- 6.1. The Company shall pay to the Placing Agent a placing fee of 0.5% of the aggregate Placing Price of the Placing Shares under this Agreement, which the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company at Completion pursuant to Clause 5.1.
- 6.2. In addition to the fee referred to in Clause 6.1, the Company shall pay the transaction levy imposed by the SFC and the Stock Exchange trading fee as may be payable (where required) and the costs of publishing the Placing Announcement, and all charges, fees and expenses of the Company's share registrar including (without limitation) their fees and expenses in effecting the issue of the Placing Shares, and the issue of certificates therefor in board lots, to the Placees or, where applicable, the Placing Agent or its nominees, all of which amounts the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company pursuant to Clause 5.1.
- 6.3. The Placing Agent shall bear all of its own legal and out-of-pocket expenses incurred by the Placing Agent in relation to this Agreement.
- 6.4. The Company shall be liable for its own costs and expenses (including fees of legal and other professional advisers) incurred in connection with the Placing and their associated transactions.

7. TERMINATION OF THE PLACING

- 7.1 Unless otherwise agreed between the Company and the Placing Agent, the appointment in respect of the Placing Agent hereunder shall terminate simultaneously upon the earlier of (a) Completion and (b) termination of this Agreement, whichever is earlier.
- 7.2 The Placing Agent reserves its right to terminate the arrangements set out in this Agreement by notice in writing at or prior to 10:00 a.m. on the Completion Date (or such other date as may be agreed between the Parties), if in its reasonable opinion, the success of the Placing would be materially and adversely affected by any force majeure events (as defined below).

For this purpose, a “force majeure event” refers to

- (a) the introduction of any new laws or regulations or any change in existing laws or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole; or
- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date hereof) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of such Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or adversely prejudices the success of the Placing (such success being the placing of the Placing Shares to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing; or
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs which affect the success of the Placing (such success being the placing of the Placing Shares to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent makes it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing.

If, at or prior to 10:00 a.m. on the Completion Date;

- (a) the Company commits any material breach of or omits to observe any of the obligations or undertakings expressed or assumed under this Agreement; or
- (b) any suspension in the trading of the Shares on the Stock Exchange for more than four consecutive trading days save for the purposes of clearing of any announcement relating to this Agreement or circulars relating to the Placing and/or the sale and purchase agreement and the ancillary agreements thereto; or
- (c) the Placing Agent shall become aware of the fact that any of the representations or warranties contained in this Agreement was, when given, untrue or inaccurate or would in any material respect be untrue or inaccurate and the Placing Agent, in its reasonable opinion, determines that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Group taken as a whole or will otherwise likely to have a material prejudicial effect on the Placing;

the Placing Agent shall be entitled by notice in writing to the Company to elect to treat such matter or event as releasing and discharging it from its obligations under this Agreement.

- 7.3 Upon giving of the notice pursuant to the paragraphs above, all obligations of the Placing Agent and the Company shall cease and determine and no Party shall have any claim against any other Parties in respect of any matter or thing arising out of or in connection with this Agreement, save for any antecedent breaches hereof.

8. MISCELLANEOUS

- 8.1. All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding Completion except in respect of those matters then already performed.

- 8.2. This Agreement may be executed in any number of counterparts and on separate counterparts, each of which when so executed shall be deemed an original but all of which shall constitute one and the same instrument and is binding on all parties. A party may execute this Agreement and the documents referred to herein on a facsimile copy counterpart and deliver his signature and seal by facsimile.
- 8.3. Time shall be of the essence of this Agreement in all respects.

9. NOTICES

- 9.1. Any notice, claim, demand, court process, document or other communication to be given under this Agreement (collectively, “communication” in this Clause 9) shall be in writing in either the English or the Chinese language and may be served or given personally or sent to the address (including cable address) or facsimile numbers (if any) stated after the relevant party’s name at the beginning of this Agreement or, where relevant, to the registered office for the time being of the party to be served, or to such other address (which must be in Hong Kong) as may have been last notified in writing by such party to the party serving the communication specifically referring to this Agreement. All communications shall be served by the following means and the addressee of a communication shall be deemed to have received the same within the time stated adjacent to the relevant means of despatch:

<u>Means of despatch</u>	<u>Time of deemed receipt</u>
Local mail or courier	24 hours
Facsimile	on despatch
Air courier/Speedpost	3 days
Airmail	5 days

- 9.2. A communication served in accordance with Clause 9.1 shall be deemed sufficiently served and in proving service and/or receipt of a communication it shall be sufficient to prove that such communication was left at the addressee’s address or that the envelope containing such communication was properly addressed and posted or despatched to the addressee’s address or that the communication was properly transmitted by facsimile or cable to the addressee.

9.3. Nothing in this Clause 9 shall preclude the service of communication or the proof of such service by any mode permitted by law.

10. SUCCESSORS AND ASSIGNS

10.1. This Agreement shall be binding on and shall enure for the benefit of each Party's successors and permitted assigns and personal representatives (as the case may be), but no assignment may be made of any of the rights or obligations hereunder by either Party without the prior written consent of the other Party.

11. GOVERNING LAW

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

11.2. The Parties irrevocably submit to the non-exclusive jurisdiction of the Hong Kong courts.

IN WITNESS whereof the Parties or their duly authorised representatives have executed this Agreement on the date first before appearing.

THE COMPANY

SIGNED by)
person(s) authorised by the board)
for and on behalf of)
Crosstec Group Holdings Limited)
in the presence of:)



Patrick An

Signature of witness
Name of witness: *An Pak Lun Patrick*

THE PLACING AGENT

SIGNED by)
person(s) authorised by the board)
for and on behalf of)
GLORY SUN SECURITIES LIMITED)
in the presence of:)

Signature of witness
Name of witness:

IN WITNESS whereof the Parties or their duly authorised representatives have executed this Agreement on the date first before appearing.

THE COMPANY

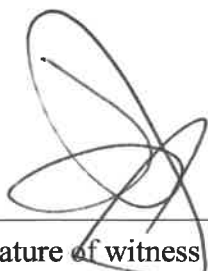
SIGNED by)
person(s) authorised by the board)
for and on behalf of)
Crosstec Group Holdings Limited)
in the presence of:)

Signature of witness
Name of witness:

THE PLACING AGENT

SIGNED by)
person(s) authorised by the board)
for and on behalf of)
GLORY SUN SECURITIES LIMITED)
in the presence of:)

Thomas

Signature of witness
Name of witness: CHAN LO WAI HOWARD