

Dated: 14 October 2024

SHARE SWAP AGREEMENT

between

NG YEW SUM

LAW ENG HOCK

CHIN SZE KEE

LUAH KOK LAM

and

MAYAIR HK HOLDINGS LIMITED

relating to

THE SHARES IN CM HI-TECH CLEANROOM LIMITED

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THIS SHARE SWAP AGREEMENT is dated 14 October 2024

PARTIES

- (1) **NG YEW SUM**, holder of Malaysian passport no. A54703279 of 2A, Jalan PJU 1A/36, Ara Damansara, 47301 Petaling Jaya, Selangor, Malaysia ("**Mr. Ng**");
- (2) **LAW ENG HOCK**, holder of Malaysian passport no. A54884191 of A-15-06, Residensi KM1, Jalan Jalil Perkasa 1, Bukit Jalil, 57000 Kuala Lumpur, Malaysia ("**Mr. Law**");
- (3) **CHIN SZE KEE**, holder of Malaysian passport no. A54701995 of 30, Jalan Tun Teja 35/12 Alam Impian, 40470 Shah Alam, Selangor, Malaysia ("**Mr. Chin**"); and
- (4) **LUAH KOK LAM** holder of Malaysian passport no. A58717816 of 24 Jalan Maya 3/5, Horizon Hill, 79100 Iskandar Puteri, Johor, Malaysia ("**Mr. Luah**");

(Mr. Ng, Mr. Law, Mr. Chin and Mr. Luah are collectively the "**Transferors**", and each, a "**Transferor**")

- (5) **MAYAIR HK HOLDINGS LIMITED (Business Registration number: 76976316)**, a company established in Hong Kong whose registered address is at 27/F, Alexandra House, 18 Chater Road, Central, Hong Kong ("**Transferee**"),

(Each a "**Party**" and collectively, the "**Parties**").

RECITALS

- (A) The Transferors have agreed to transfer and the Transferee has agreed to accept the transfer of the Sale Shares which are held by the Transferors as set forth beside the Transferors' name in Part 1 of Schedule 2 in consideration of the Consideration Shares (as defined herein), subject to and on the terms and conditions of this Agreement.
- (B) The Transferors and the Transferee have agreed to enter into this Agreement for the purposes of, and in connection with, the privatisation of the Company by way of a scheme of arrangement and the withdrawal of the listing of the shares of the Company on the Main Board of The Stock Exchange of Hong Kong Limited ("**Proposal**").

AGREED TERMS

1. INTERPRETATION

- 1.1 The definitions and rules of interpretation in this Clause apply in this Agreement.

Anti-Bribery Laws: means the Applicable Laws relating to anti-bribery or anti-corruption (governmental or commercial) which apply to the Group or any agent of the Group from time to time, including Applicable Laws that prohibit the payment, offer, promise, or authorisation of the payment or transfer of anything of value (including gifts or entertainment), directly or indirectly, to any public official, government employee or commercial entity to obtain an illegitimate business advantage; including the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong) and all national

and international laws enacted to implement the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions.

Anti-Money Laundering Laws: means all applicable anti-money laundering statutes of all jurisdictions, including, without limitation, the PRC, Hong Kong, Malaysia and the Philippines anti-money laundering laws, the rule and regulations thereunder and any related or similar rules, regulations or guidelines issued, administered or enforced by any governmental or regulatory agency.

Applicable Laws: means with respect to any person, any laws, rules, regulations, guidelines, directives, treaties, judgments, decrees, orders, notices or requirements of any Authority that are applicable to such person.

Approvals: means any approvals, authorisations, rulings, licences, permits, consents, permissions, waivers, clearances or registrations which are required under any Applicable Law or by any Authority, in each case excluding any filing or notification to any Authority which does not require such Authority's approval, acknowledgement, permission, consent or clearance.

Authority: means any relevant government, administrative or regulatory body, court, tribunal, arbitrator, governmental agency or authority or department (including any relevant securities exchange) and whether supranational, national, regional or local.

Business Day: a day (other than a Saturday or Sunday) on which the Stock Exchange is open for the transaction of business and on which the banks are open for business in the Cayman Islands, Hong Kong, the PRC and Malaysia.

Claims: includes any claim, counterclaim, assessment, notice, demand or other documents issued or action taken:

- (i) by or on behalf of any taxation authority (whether local, municipal, provincial, central or otherwise) in any of the PRC, Hong Kong, Malaysia and the Philippines or any other revenue, customs, fiscal, statutory or governmental authority whatsoever or official in any of the PRC, Hong Kong, Malaysia and the Philippines or in any other part of the world whereby it appears that any of the Group Companies is liable or is sought to be made liable for any payment of any Taxation or to be deprived of or sought to be deprived of any Relief which Relief would, but for the Claim, have been available to any of the Group Companies or where any of the Group Companies is required to suffer the non-availability, loss, cancellation or reduction of a right to repayment of taxation; or
- (ii) by or on behalf of any person or body corporate in any of the PRC, Hong Kong, Malaysia and the Philippines or in any other part of the world whereby it appears that the Transferors or any of the Group Companies is liable or is sought to be made liable for the legal consequences and potential liabilities, which may include a claim for (i) breach of any of the Transferors' Warranties; (ii) the indemnity under Clause 7; (iii) any liabilities of the Group Companies before the Completion Date or relates to incidents occurred prior to the Completion Date but arose after the Completion Date; and/or (iv) any liabilities under this Agreement

Companies Act: the Companies Act (2023 Revision) of the Cayman Islands.

Companies Ordinance: the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

Company: the company whose particulars as at the date of this Agreement are set out in Part 1 of Schedule 1.

Company Subsidiaries: those companies whose particulars as at the date of this Agreement are set out in Part 2 of Schedule 1, which are direct Subsidiaries of the Company.

Completion: the performance by the parties of their respective obligations under Clause 4.

Completion Date: has the meaning given in Clause 4.2.

Conditions: the conditions to the implementation of the Proposal as set out in the Scheme Document.

Consideration Shares: the ordinary shares of in the capital of the Transferee to be allotted and issued to the Transferors (or such person as the Transferors direct) to capitalise the amounts due to the Transferors for transferring the Sale Shares in accordance with Clause 3.

Data Room: the electronic data room maintained by Howse Williams on the ownCloud server as constituted as at 6:00 p.m. on 30 September 2024 at <https://filex.howsewilliams.com> under the name "Project Pitta".

Disclosure: means the information properly and fairly disclosed in the Data Room, documents pursuant to requisition and follow-up lists, or otherwise provided to/by the Transferee or its legal counsels, financial and tax advisers on or before the date of this Agreement, the contents of which are set out in the list of documents as agreed by the Transferors and the Transferee in writing and recorded on the USBs, and include any other lists of documents as may be further agreed between the Transferors and the Transferee in writing or by emails.

Effective Date: the date on which the Scheme, if approved and sanctioned by the Grand Court of the Cayman Islands, becomes effective in accordance with the Companies Act and the Conditions.

Encumbrance: any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security, title retention or any other security agreement or arrangement.

FY2023 Financial Statements: means the consolidated audited financial statements of the Group for the financial year ended 31 December 2023.

FY2023 Financial Statements Date: means 31 December 2023.

Grand Court: means the Grand Court of the Cayman Islands.

Group: means the Company and the Company Subsidiaries, and each of them is referred to herein as a "**Group Company**" and collectively as "**Group Companies**".

Hong Kong: the Hong Kong Special Administrative Region of the People's Republic of China.

Intellectual Property: means all intellectual property, including patents, Trade Marks, database rights, rights in designs, copyrights and topography rights (whether or not any of these rights are registered, and including applications and the right to apply for registration of any such rights) and all rights in know-how, trade secrets and confidential information and all rights and forms of protection of a similar nature or having equivalent or similar effect to any of these which may subsist anywhere in the world for their full term, including any renewals and extensions.

Licences: has the meaning given to it in paragraph 6.6.1 of Schedule 3.

Rules: the Rules Governing the Listing of Securities on the Stock Exchange

Loss or Losses: means any and all losses, liabilities, damages, claims, charges, costs and expenses, demands, interest, awards, judgments, penalties, fines and liens.

Material Adverse Effect: means an event or events, whether individually or in aggregate, occurring from the date of this Agreement and up to the Effective Date, which has or have the effect of causing a material diminution in the business, operations, assets, liabilities, condition (whether financial, trading or otherwise), prospects or operating results of the Group taken as a whole (not being a short-term, temporary change), but exclude any effect arising from or in connection with (A) the execution of this Agreement or implementation of the Proposal; (B) the ordinary and usual course of the Group's business; (C) any change in the financial markets or general economic conditions generally affecting the industry in which the Group operates; and (D) the ability of the Transferee to consummate timely the transactions contemplated in this Agreement or the Proposal.

Material Contract: means any material contract, undertaking, agreement or arrangement to which any member of the Group is a party that involves payment or incurrence of commitment involving aggregate capital expenditure in excess of HK\$3 million or its equivalent.

Person: means any individual, company, corporation, general partnership, limited partnership, trust or other entity, organisation or unincorporated association, wherever constituted or located and whether or not having separate legal personality, including any governmental Authority.

Policies: has the meaning given to it in paragraph 12.3.1 of Schedule 3.

PRC: the People's Republic of China, but for the purpose of this Agreement, excluding Hong Kong, Macau Special Administrative Region and Taiwan.

Properties: means all real properties used, occupied or owned by the Group or in which any member of the Group has any other interest for the purpose of conducting the business.

Proposal: has the meaning given to it in Recital (B).

Purchase Price: the purchase price for the Sale Shares specified in Part 1 of Schedule 2 to be settled by the Transferee in accordance with Part 2 of Schedule 2.

Related Persons: means any Person connected or related to a Person or having any relationship with the Person, including the first-named Person's family members (that is the first-named person's spouse, sibling, child (natural or adopted), parent, step-parent, step-child or step-siblings), any director, management, officer, partner or advisor accustomed to act in accordance with the first-named Person's wishes, or any Person or entity who directly or indirectly through one or more entities, controls or is controlled by or is under common control with the first-named Person or his family member(s). For the purposes of this definition only, "control" means direct or indirect ownership or control of more than 30% of the voting interests of such Person or entity.

Relief: means relief, allowance, set off or deduction in computing profits, right to repayment or credit granted by or pursuant to any registration or otherwise relating to all forms of Taxation;

Sale Shares: the number and class of issued shares in the Company set out in Part 1 of Schedule 2, which have been issued and are fully paid.

Scheme: the scheme of arrangement under Section 86 of the Companies Act as set out in the Scheme Document, with or subject to any modification, addition or condition as may be approved or imposed by the Grand Court of the Cayman Islands and agreed to by the Transferee, involving the cancellation of all the shares in the Company other than the Sale Shares and the maintenance of the share capital of the Company at the amount immediately before the cancellation of all the shares in the Company other than the Sale Shares.

Scheme Document: the composite scheme document of the Company and the Transferee issued to all shareholders of the Company in November 2024 containing, inter alia, further details of the Proposal, a letter from the board of directors of the Company, a letter of advice from the Company's independent financial adviser, the recommendations of the Company's independent board committee, notices to convene the court meeting and the extraordinary general meeting together with proxy forms in relation thereto.

Share Option Scheme: the post-IPO share option scheme adopted by shareholders' resolutions of the Company on 3 September 2020.

Shareholders: means a person entered in the register of members of the Company as holder from time to time of the shares of the Company.

Stock Exchange: The Stock Exchange of Hong Kong Limited

Subsidiary: in relation to a company wherever incorporated (a holding company) means a "subsidiary" as defined in section 15 of the Companies Ordinance and any other company which is a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company. Unless the context otherwise requires the application of the definition of subsidiary to any company at any time will apply to the company as it is at that time.

Takeovers Code: The Code on Takeovers and Mergers in Hong Kong

Taxation or Taxes: includes all forms of taxation and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, including income, withholding, stamp, goods and services tax and any other form of value-added tax, in each case whether of Hong Kong, the PRC, Malaysia, the Philippines or elsewhere in the world whenever imposed and whether chargeable directly or primarily against or attributable directly or primarily to a member of the Group or any other person and all penalties, charges, costs and interest relating thereto.

Trade Marks: means all trade marks, service marks, domain names, business names and logos (whether registered or unregistered) in any part of the world.

Transferee's Warranties: the warranties given by the Transferee and contained in this Agreement as set out in Part A of Schedule 3 to this Agreement.

Transferors' Warranties: the warranties given by the Transferors and contained in this Agreement as set out in Part B of Schedule 3 to this Agreement.

Transaction: the transaction contemplated by this Agreement or any part of that transaction.

- 1.2 Clause and schedule headings do not affect the interpretation of this Agreement.
- 1.3 References to clauses and schedules are to the Clauses and Schedules of this Agreement; references to paragraphs are to paragraphs of the relevant Schedule.
- 1.4 A **person** includes a corporate or unincorporated body.
- 1.5 Words in the singular include the plural and in the plural include the singular.
- 1.6 A reference to one gender includes a reference to the other gender.
- 1.7 A reference to a statute, statutory provision or any subordinate legislation is a reference to it as it is in force at the date of this Agreement.
- 1.8 **Writing** or **written** includes faxes but not e-mail.
- 1.9 Documents in **agreed form** are documents in the form agreed by the parties or on their behalf and initialled by them or on their behalf for identification.

- 1.10 References to "**HK\$**" or "**RM**" or "**USD**" or "**PHP**" or "**RMB**" are references to Hong Kong Dollars, Malaysia Ringgit or United States Dollars or Philippine pesos or Renminbi, respectively.
- 1.11 References to time are reference to time in Hong Kong.
- 1.12 References to this Agreement include this Agreement as amended or varied in accordance with its terms.

2. SHARE TRANSFER

- 2.1 Each of the Transferors shall transfer such number of the Sale Shares set out beside their names in Part 1 of Schedule 2, and the Transferee shall accept the transfer, with effect from the Completion Date, the Sale Shares, free from all Encumbrances and together with all rights that attach (or may in the future attach) to them including, in particular, the right to receive all dividends and distributions declared, made or paid on or after the Completion Date.
- 2.2 Neither the Transferors nor the Transferee is obliged to complete the purchase of any of the Sale Shares unless the sale and purchase of all the Sale Shares is completed simultaneously.

3. PURCHASE PRICE AND ALLOTMENT AND ISSUANCE OF CONSIDERATION SHARES

- 3.1 The Purchase Price per Sale Share is the amount specified in Part 1 of Schedule 2, which shall be calculated according to their respective number of the Sale Shares against the total number of the Sale Shares (the relevant amounts are set out against their corresponding names in Schedule 2).
- 3.2 The Purchase Price shall be settled in accordance with the provisions of Part 2 of Schedule 2.
- 3.3 The Transferee shall, on the Completion Date, allot and issue to the Transferors (or such person as the Transferors direct) the Consideration Shares as set out in column (2) in Part 3 of Schedule 2, credited as fully paid, in consideration for setting-off against the debt in the amount of the Purchase Price in its entirety.
- 3.4 Each of the Transferors agrees to the Transferee's capitalisation of the sum of the Purchase Price into the Consideration Shares, the same to be credited as fully paid ordinary shares of the Transferee, and confirms that the allotment and issue of the Consideration Shares by the Transferee in accordance with Clause 3.3 shall be deemed sufficient consideration for setting-off against the debt in the amount of the Purchase Price due by the Transferee to the Transferors in its entirety. By signing and exchanging this Agreement, each of the Transferors:
- (a) applies for and accepts with effect from the Completion Date, the Consideration Shares allotted and issued to him, subject to the articles of association of the Transferee;

- (b) authorises the Transferee to place each of their names upon the register of members of the Transferee on the Completion Date in respect of such Consideration Shares; and
- (c) shall have no claim for the Purchase Price against the Transferee upon the allotment of the Consideration Shares.

4. COMPLETION

- 4.1 Completion shall take place on the Completion Date at such agreed place outside Hong Kong or as otherwise agreed by the Transferors and the Transferee.
- 4.2 **Completion Date** means five (5) Business Days after the Effective Date or five (5) Business Days after the removal of Sale Shares from the Hong Kong branch register of members of the Company to the register of members of the Company the Cayman Islands, whichever is later.
- 4.3 On Completion, the Transferors shall:
 - (a) deliver the documents and evidence set out in Part 1 of Schedule 4;
 - (b) procure that a board meeting (or as the case may be, written resolutions of the directors) of the Company is held (or are passed) at which the matters identified in Part 2 of Schedule 4 are carried out; and
 - (c) deliver any other documents referred to in this Agreement as being required to be delivered by the Transferors.
- 4.4 On Completion, the Transferee shall:
 - (a) update the register of members with the names of the Transferors (or such person as the Transferors direct) in respect of the Consideration Shares in accordance with Part 3 of Schedule 2;
 - (b) procure a board meeting of the Transferee to be held (or written resolution of the directors to be signed) at which this Agreement shall be approved and the allotment and issue of the Consideration Shares be approved;
 - (c) deliver the documents set out in Part 3 of Schedule 4; and
 - (d) deliver any other documents referred to in this Agreement as being required to be delivered by the Transferee.
- 4.5 As soon as reasonably practicable after Completion, the Transferors shall send to the Transferee (at the Transferee's principal place of business in Hong Kong for the time being) and at the Transferee's expense all records, correspondence, documents, files, memoranda and other papers relating to the Company and the Company Subsidiaries not required to be delivered at Completion.

5. COMPLETION DATE AND RISK

As between the Transferors and the Transferee, the transfer of the Sale Shares shall be deemed to be effective with effect from the Completion Date. Accordingly, with effect from the Completion Date:

- (a) the Sale Shares shall be at the risk of the Transferee;
- (b) the Transferee shall be entitled to any and all income, receipts and other benefits arising in respect of the Sale Shares at any time after the Completion Date and the Transferors shall promptly pay to the Transferee any and all such amounts received by the Transferors (net of any tax incurred by the Transferors as a result of having received such amounts); and
- (c) the Transferors shall assume responsibility for any debts, liabilities and obligations payable or arising directly in respect of the Sale Shares.

6. WARRANTIES

6.1 Subject to the Disclosure, each of the Transferors and the Transferee warrants and represents to each other that each Warranty set out in this Clause 6.1 was true, accurate and not misleading in all material respects on the Completion Date and is and will be true, accurate and not misleading on the date of this Agreement and (if it is different from the date of this Agreement) on the Completion Date:

- (a) Each of the Transferors or the Transferee (as the case may be) has taken all necessary action and has all requisite power and authority to enter into and perform this Agreement and the other documents referred to in it.
- (b) This Agreement and the other documents referred to in it constitute (or shall constitute when executed) valid, legal and binding obligations on the Transferors or the Transferee (as the case may be) in the terms of the Agreement and such other documents.
- (c) Compliance with the terms of this Agreement and the documents referred to in it shall not breach or constitute a default under any of the following:
 - (i) any laws or documents incorporating or constituting the Transferee;
 - (ii) any agreement or instrument to which any of the Transferors or the Transferee (as the case may be) is a party or by which it is bound; or
 - (iii) any order, judgment, decree or other restriction applicable to the Transferors or the Transferee (as the case may be).
- (d) No consent, licence, approval or authorisation of or filing or registration with or other requirements of any governmental or other regulatory authority or agency in any jurisdiction which is applicable to the Transferors or the Transferee is required by the Transferors or the Transferee (as the case may be) in relation

to the valid execution, delivery or performance of this Agreement (or to ensure the validity or enforceability thereof) that has not been obtained prior to the date of this Agreement.

- 6.2 Each of the Transferors warrants and represents to the Transferee that each Transferors' Warranties was true, accurate and not misleading as at the date of this Agreement and on the Completion Date and is and will be true, accurate and not misleading in all material respects at the Completion Date and is and will be true, accurate and not misleading on the date of this Agreement and (if it is different from the date of this Agreement) on the Completion Date, by reference to the facts and circumstances existing at such dates. For this purpose only, where in a Transferors' Warranty there is an express or implied reference to the "date of this Agreement", that reference is also to be construed as a reference to the Completion Date.
- 6.3 The Transferee warrants and represents to the Transferors that each Transferee's Warranties was true, accurate and not misleading as at the date of this Agreement and on the Completion Date and is and will be true, accurate and not misleading in all material respects at the Completion Date and is and will be true, accurate and not misleading on the date of this Agreement and (if it is different from the date of this Agreement) on the Completion Date, by reference to the facts and circumstances existing at such dates. For this purpose only, where in a Transferee's Warranty there is an express or implied reference to the "date of this Agreement", that reference is also to be construed as a reference to the Completion Date.
- 6.4 Any warranty qualified by the expression "so far as each of the Transferors or Transferee is aware", or any similar expression shall, unless otherwise stated, refer to the actual knowledge, information, belief or awareness of any fact or matter of each of the Transferors or such knowledge he would have had after making due and careful inquiries as a director of the Company.
- 6.5 Each of the Transferors' Warranties and Transferee's Warranties shall be construed as a separate and independent warranty and (save where expressly provided to the contrary) shall not be limited or restricted by reference to, or inference from the terms of any other term of this Agreement or any other warranty.
- 6.6 The Transferors' Warranties are subject only to those matter in the Disclosure.
- 6.7 The Transferors, to the extent permissible under applicable laws, shall disclose as soon as reasonably practicable to the Transferee in writing upon becoming aware of any matter, event or circumstance (including any omission to act) arising or becoming known to the Transferors after the date of this Agreement up to and including the Completion Date which constitutes a breach of any of the Transferors' Warranties if given at any time up to and including the Completion Date or which might make them untrue, inaccurate or misleading.
- 6.8 The Transferee, to the extent permissible under applicable laws, shall disclose as soon as reasonably practicable to the Transferors in writing upon becoming aware of any matter, event or circumstance (including any omission to act) arising or becoming known to the Transferee after the date of this Agreement up to and including the Completion Date which constitutes a breach of any of the Transferee's Warranties if

given at any time up to and including the Completion Date or which might make them untrue, inaccurate or misleading.

- 6.9 If prior to Completion it is found by the Transferee that any of the Transferors' Warranties was, when given, or will be or may be, at or at any time prior to Completion (where required to be repeated in accordance with the terms of this Agreement at Completion) breached, not complied with or otherwise untrue, incorrect or misleading and that the breach, non-compliance, untruthfulness, incorrectness or misleading nature of such Transferors' Warranty has or does not have a Material Adverse Effect, the Transferee must proceed with Completion without prejudice to the right to claim damages and the Transferee's other rights and remedies under this Agreement or Applicable Laws in respect of the breach of Transferors' Warranty (and subject to the terms and conditions as stipulated in this Agreement).
- 6.10 If prior to Completion it is found by the Transferors that any of the Transferee's Warranties was, when given, or will be or may be, at or at any time prior to Completion (where required to be repeated in accordance with the terms of this Agreement at Completion) breached, not complied with or otherwise untrue, incorrect or misleading and that the breach, non-compliance, untruthfulness, incorrectness or misleading nature of such Transferee's Warranty has or does not have a Material Adverse Effect, the Transferors must proceed with Completion without prejudice to the right to claim damages and the Transferee's other rights and remedies under this Agreement or Applicable Laws in respect of the breach of Transferee's Warranty (and subject to the terms and conditions as stipulated in this Agreement).
- 6.11 Without prejudice to the rights of the Parties under this Agreement, if at any time before or at Completion, either the Transferors, and/or the Transferee becomes aware that any of the Transferors' Warranties or the Transferee's Warranties has been breached or is untrue in a material respect or is misleading which has a Material Adverse Effect, either party must immediately notify the other party in sufficient detail to enable the other party to make an accurate assessment of the situation. If requested by the non-defaulting Party, the defaulting Party shall use their best endeavours to remedy the notified occurrence.
- 6.12 The representations and warranties of the Transferors and the Transferee contained in this Agreement shall survive the Completion for the period set out in Clause 6.8 below. Nothing in this Agreement (including Clause 7) shall qualify or limit the liability of the Parties in relation to any Claim attributable to fraud, dishonesty or wilful concealment on the part of any of the Parties or their Affiliates. If notice of any claim has been given within the applicable survival period, then the representations and warranties that are subject of such indemnification claim shall survive with respect to such claim until such claim is finally resolved.
- 6.13 Claims against the defaulting Party in respect of any breach of the Transferors' Warranties or the Transferee's Warranties shall be wholly barred and unenforceable unless written particulars thereof (giving such reasonable details as are available to the non-defaulting Party of the facts and circumstances of the specific matter or Claim in respect of which such claim is made) shall have been given to the defaulting Party before the date which falls 36 months after Completion Date, and such claim shall be treated as withdrawn unless proceedings in respect thereof have been commenced and served on the Transferors before the date which falls 36 calendar months thereafter **PROVIDED THAT** (i) the time limit in respect of Claims for a breach of those Transferors' Warranties relating to Taxation shall be extended to a date falling seven (7) years (or such period as required under the applicable legal, regulatory, tax or other requirements, whichever period is longer) from the Completion Date; and (ii) the time limit in respect of Claims for

a breach of those Transferors' Warranties relating to fraud or fraudulent actions shall be extended to a date falling ten (10) years from the discovery of the falsity, fraud or omission (the applicable period, the "**Indemnity Period**").

7. INDEMNITY

7.1 On and after the Completion Date, each of the Transferors hereby agrees and undertakes to, jointly and severally, indemnify, defend and hold harmless the Transferee at all times hereafter and to keep the same fully indemnified on demand and hold the Transferee harmless from and against all Losses incurred or suffered, or reasonably likely to be incurred or suffered by the Transferee arising out of, arising from or in connection with any of the following:

- (i) material breach of any Transferors' Warranty on or before the Completion Date; or
- (ii) any Claim that (1) arose prior to the Completion Date but which may continue to be subsisting as at the Completion Date; or (2) arose after the Completion Date but relates to matters occurred prior to the Completion Date, and all liabilities and costs (including all legal costs), expenses or other liabilities which any member of the Group may reasonably incur in connection with:
 - (a) the investigation, assessment or the contesting of any Claim;
 - (b) the settlement of any claim under this Agreement;
 - (c) any legal proceedings in which any Group Company claims under or in respect of this Agreement and in which judgment is given for any Group Company; or
 - (d) the enforcement of any such settlement or judgment;

7.1A On and after the Completion Date, the Transferee hereby agrees and undertakes to, jointly and severally, indemnify, defend and hold harmless each of the Transferors at all times hereafter and to keep the same fully indemnified on demand and hold the Transferors harmless from and against all Losses incurred or suffered, or reasonably likely to be incurred or suffered by the Transferors arising out of, arising from or in connection with a material breach of any Transferee's Warranty on or before the Completion Date.

7.2 If, within the applicable Indemnity Period, the Transferee, the Company or the Group Company has a claim against it by a third party or owes a liability to a third party and such claim or liability gives rise to or is capable of giving rise to a Claim (a "**Third Party Claim**"):

- (i) the Transferee shall, within fifteen (15) Business Days of the Transferee first becoming aware of the circumstances giving rise to the Claim, deliver to the Transferors a written notice (a "**Claim Notice**") containing reasonable details of the Claim and confirming that in the reasonable opinion of the Transferee, the amount of the Claim may exceed amounts indicated in Clause 7.3 below;
- (ii) the Transferee shall keep the Transferors reasonably informed of all material developments in respect of such Third Party Claim;

- (iii) no admission of liability shall be made by or on behalf of the Transferee, the Company, the Company Subsidiaries and the Third Party Claim shall not be compromised, disposed of or settled without the consent of the Transferors, such consent not to be unreasonably withheld or delayed provided that the Transferee may settle a Third Party Claim (after giving prior written notice of the terms of settlement (to the extent legally possible) to the Transferors, but without obtaining the Transferors' consents) if the Transferee reasonably believes that failure to settle the Third Party Claim would be prejudicial to it in any material respect.
- 7.3 **Limitation of Liabilities.** None of the Parties shall be liable for any Losses with respect to the matters in Clause 7 unless each individual Claim exceeds HK\$100,000 or its equivalent. Notwithstanding any other provision of this Agreement, the provisions of Schedule 5 shall apply to impose limitations on the Parties' liability for any Claims. No liability shall attach to the Transferors in respect of any Claim to the extent that the Claim relates to any matter in the Disclosure.
- 7.4 Any of the Transferors (the "**Indemnifying Party**") shall have the right to participate in, or by giving written notice to the Transferee, assume the defence of such Third Party Claim. The Indemnifying Party shall be entitled at their own expense to take such action as it considers reasonably necessary to avoid, dispute, deny, defend, resist, appeal, compromise or contest such Third Party Claim, including making counterclaims or other claims against third parties (including, in the name of and on behalf of the Transferee, the Company or the Company Subsidiaries) and to have the conduct of any related proceedings, negotiations or appeals subject always to the Transferors:
- (i) keeping the Transferee reasonably informed of the progress of the Third Party Claim and of any material developments in relation to the Third Party Claim;
 - (ii) if so requested by the Transferee, providing to the Transferee copies of any material correspondence or other documents relating to the Third Party Claim; and
 - (iii) consulting with the Transferee regarding the conduct of the Third Party Claim and taking into account all reasonable requirements of the Transferee in relation to the conduct of such Third Party Claim.
- 7.5 If, within fifteen (15) Business Days from the date of service by the Transferee of a Claim Notice, none of the Transferors have given notice to the Transferee that an Indemnifying Party will assume the defence of such Third Party Claim, the Transferee will have the right to control the defence and investigation of such Third Party Claim and the Transferors may, with the consent of the Transferee (such consent not to be unreasonably withheld or delayed), participate in the defence and/or investigation of such Third Party Claim at its own expense.
- 7.6 The Transferee shall allow, and shall procure that the Company and the Group Companies shall allow, the Indemnifying Party(ies) or their accountants or professional advisers to reasonably investigate (at the Transferors' cost) any matter or circumstance alleged to give rise to any Third Party Claim, and whether and to what extent any amount is payable in respect of such Third Party Claim, provided that the Transferors, as applicable, shall pay all costs and expenses incurred by the Transferee.
- 7.7 The Transferee shall give, and shall procure that the Company and the Group Companies shall give, the Indemnifying Party such information and other reasonable assistance, including access to premises and personnel, and the right to examine (as

reasonable and appropriate), any accounts, relevant documents and records of the Company and the Group Companies as the Indemnifying Party or its accountants or professional advisers may reasonably request, provided that the Indemnifying Party shall have given reasonable prior notice to the Transferee and pay all costs and expenses incurred by the Transferee in so doing. The Transferee shall, and shall ensure that the Company and the Group Companies shall, preserve, or procure the preservation of, all records of or relating to the Company and the Group Companies as at Completion Date until the expiration of 3 years from Completion Date.

8. FURTHER ASSURANCE

Each of the Transferors shall insofar as it is able to do so after Completion and at the Transferee's expense execute and deliver all such documents, and do all such things, as the Transferee may from time to time reasonably require for the purpose of giving full effect to the provisions of this Agreement.

9. WHOLE AGREEMENT

9.1 This Agreement, and any documents referred to in it, constitute the whole agreement between the parties and supersede any arrangements, understanding or previous agreement between them relating to the subject matter they cover.

9.2 Nothing in this Clause 9 operates to limit or exclude any liability for fraud.

9.3 Each party acknowledges that in entering into this Agreement and any documents referred to in it, it does not rely on, and shall have no remedy in respect of, any statement, representation, assurance or warranty (whether of fact or of law and whether made innocently or negligently) of any person other than as expressly set out in this Agreement or in those documents.

10. VARIATION AND WAIVER

10.1 Any variation of this Agreement shall be in writing and signed by or on behalf of each party.

10.2 Any waiver of any right under this Agreement is only effective if it is in writing and signed by the waiving or consenting party and it applies only in the circumstances for which it is given and shall not prevent the party who has given the waiver from subsequently relying on the provision it has waived.

10.3 No failure to exercise or delay in exercising any right or remedy provided under this Agreement or by law constitutes a waiver of such right or remedy or shall prevent any future exercise in whole or in part thereof.

10.4 No single or partial exercise of any right or remedy under this Agreement shall preclude or restrict the further exercise of any such right or remedy.

10.5 Unless specifically provided otherwise, rights arising under this Agreement are cumulative and do not exclude rights provided by law.

11. COSTS AND EXPENSES

- 11.1 Unless otherwise provided, all costs in connection with the negotiation, preparation, execution and performance of this Agreement, and any documents referred to in it, shall be borne by the party that incurred the costs.
- 11.2 The Transferee agrees to pay all applicable stamp duty and adjudication fee chargeable (if any), payable or assessed in relation to the sale and purchase of the Sale Shares under this Agreement.

12. NOTICE

12.1 A notice given under this Agreement:

- (a) shall be in writing in the English language;
- (b) shall be sent for the attention of the person, and to the address or fax number, specified in this Clause 12 (or such other address, fax number or person as each party may notify to the other in accordance with the provisions of this Clause 12); and
- (c) shall be:
 - (i) delivered personally; or
 - (ii) sent by fax; or
 - (iii) sent by pre-paid post or recorded delivery; or
 - (iv) (if the notice is to be served by post outside the country from which it is sent) sent by registered airmail.

12.2 The addresses for service of notice are:

- (a) Ng Yew Sum
 - (i) address: 2A, Jalan PJU 1A/36, Ara Damansara, 47301 Petaling Jaya, Selangor, Malaysia
 - (ii) for the attention of: Ng Yew Sum
 - (iii) email: ysng@channelsystemsasia.com.my
- (b) Law Eng Hock
 - (i) address: A-15-06, Residensi KM1, Jalan Jalil Perkasa 1, Bukit Jalil, 57000 Kuala Lumpur, Malaysia
 - (ii) for the attention of: Law Eng Hock

- (iii) email: law@channelsystems.com.cn
- (c) Chin Sze Kee
 - (i) address: 30, Jalan Tun Teja 35/12 Alam Impian, 40470 Shah Alam, Selangor, Malaysia
 - (ii) for the attention of: Chin Sze Kee
 - (iii) email: skchin@micronasia.com.my
- (d) Luah Kok Lam
 - (i) address: 24 Jalan Maya 3/5, Horizon Hill, 79100 Iskandar Puteri, Johor, Malaysia
 - (ii) for the attention of: Luah Kok Lam
 - (iii) email: michaelluah@channelsystemsasia.com.my
- (e) MayAir HK Holdings Limited
 - (i) address: 27/F, Alexandra House, 18 Chater Road, Central, Hong Kong
 - (ii) for the attention of: Yap Wee Keong
 - (iii) email: weekeong.yap@mayairgroup.com

12.3 A notice is deemed to have been received:

- (a) if delivered personally, at the time of delivery; or
- (b) in the case of fax, at the time of transmission; or
- (c) in the case of pre-paid post or recorded delivery, 2 Business Days from the date of posting; or
- (d) in the case of registered airmail, 7 Business Days from the date of posting; or
- (e) if deemed receipt under the previous paragraphs of this Clause 12.3 is not within business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is a Business Day), when business next starts in the place of receipt.

12.4 To prove service, it is sufficient to prove that the notice was transmitted by fax to the fax number of the party or, in the case of post, that the envelope containing the notice was properly addressed and posted.

13. SEVERANCE

- 13.1 If any provision of this Agreement (or part of a provision) is found by any court or administrative body of competent jurisdiction to be invalid, unenforceable or illegal, the other provisions shall remain in force.
- 13.2 If any invalid, unenforceable or illegal provision would be valid, enforceable or legal if some part of it were deleted, the provision shall apply with whatever modification is necessary to give effect to the commercial intention of the parties.

14. EFFECTIVENESS OF AGREEMENT AND AGREEMENT SURVIVES COMPLETION

- 14.1 This Agreement shall be effective on the Effective Date.
- 14.2 This Agreement (other than obligations that have already been fully performed) remains in full force after Completion.

15. SUCCESSORS

- 15.1 The rights and obligations of the Transferors and the Transferee under this Agreement shall continue for the benefit of, and shall be binding on, their respective successors and assigns but shall not be capable of being assigned by the Transferors without the written consent of the Transferee.
- 15.2 Each party that has rights under this Agreement is acting on its own behalf and not for the benefit of another person.

16. THIRD PARTY RIGHTS

- 16.1 Except as expressly stipulated in this Agreement, a person who is not a party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong). To the extent this Agreement expressly grants rights to third parties, the parties to this Agreement shall be permitted to change or exclude such rights at any time without the consent of the relevant third party.
- 16.2 Each party represents to the other party that their respective rights to terminate, rescind or agree any amendment, variation, waiver or settlement under this Agreement are not subject to the consent of any person that is not a party to this Agreement, irrespective of whether they have been conferred rights hereunder.

17. COUNTERPARTS

This Agreement may be executed in any number of counterparts, each of which is an original and which together have the same effect as if each party had signed the same document.

18. LANGUAGE

If this Agreement is translated into any language other than English, the English language text shall prevail.

19. GOVERNING LAW AND JURISDICTION

- 19.1 This Agreement and any disputes or claims arising out of or in connection with its subject matter are governed by and construed in accordance with laws of Hong Kong.
- 19.2 The parties irrevocably agree that the courts of Hong Kong have non-exclusive jurisdiction to settle any dispute or claim that arises out of or in connection with this Agreement.

20. AGENT FOR SERVICE

- 20.1 Mr. Ng appoints Channel Systems International Limited of 6th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong as its agent for service of process relating to any proceedings before the Hong Kong courts in connection with this Agreement and agrees that failure by such a process agent to notify it of any process will not invalidate the proceedings concerned.
- 20.2 Mr. Law appoints Channel Systems International Limited of 6th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong as its agent for service of process relating to any proceedings before the Hong Kong courts in connection with this Agreement and agrees that failure by such a process agent to notify it of any process will not invalidate the proceedings concerned.
- 20.3 Mr. Chin appoints Channel Systems International Limited of 6th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong as its agent for service of process relating to any proceedings before the Hong Kong courts in connection with this Agreement and agrees that failure by such a process agent to notify it of any process will not invalidate the proceedings concerned.
- 20.4 Mr. Luah appoints Channel Systems International Limited of 6th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong as its agent for service of process relating to any proceedings before the Hong Kong courts in connection with this Agreement and agrees that failure by such a process agent to notify it of any process will not invalidate the proceedings concerned.
- 20.5 Each of the Transferors agrees that it shall provide 14 days prior notice to Transferee and the other Transferors if there is a change of his process agent including the name and Hong Kong address of the new process agent appointed.

This Agreement has been entered into on the date stated at the beginning of it.

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SCHEDULE 1
PARTICULARS OF COMPANY AND COMPANY SUBSIDIARIES

Part 1 - Particulars of the Company

CM Hi-Tech Cleanroom Limited

1. Company name : **CM Hi-Tech Cleanroom Limited**
捷芯隆高科潔淨系統有限公司
(Formally known as Channel Micron Holdings Company Limited 捷心隆控股有限公司)
2. Place of incorporation : Cayman Islands
3. Company number : 352413
4. Incorporation date : 11 June 2019
5. Registered office : Cricket Square, Hutchins Drive, PO Box 2681,
Grand Cayman KY1-1111, Cayman Islands
6. Principal place of business : Malaysia: Lot P.T. 14274, Jalan SU8, Persiaran
Tengku Ampuan, 40400 Shah Alam, Selangor
Darul Ehsan, Malaysia

Hong Kong: 5/F, Manulife Place 348 Kwun Tong
Road Kowloon, Hong Kong
7. Issued share capital : HK\$14,000,000 divided into 1,400,000,000
ordinary shares of HK\$0.01 each
8. Directors : Executive Directors:
Mr. Ng Yew Sum
Mr. Chin Sze Kee
Mr. Law Eng Hock

Independent non-executive Directors:
Mr. Ng Seng Leong
Mr. Martin Giles Manen
Mr. Wu Chun Sing
9. Registered shareholders :

Shareholders on Record	Number of issued shares	% shareholding
Executive Directors		
Ng Yew Sum	340,028,550	24.29
Law Eng Hock	60,040,050	4.29
Chin Sze Kee	37,091,850	2.65
Sub-total	437,160,450	31.23

Other shareholders		
Francis Chia Mong Tet	150,803,100	10.77
Chang Chin Sia	40,019,750	2.86
Ng Boon Hock	54,129,750	3.86
Yap Chui Fan	37,911,600	2.71
Lim Kai Seng	36,877,050	2.63
Loh Wei Loon	5,106,950	0.36
Phang Chee Kin	6,466,950	0.36
Luah Kok Lam	5,366,100	0.38
Sub-total	437,160,450	23.93
Total	773,841,700	55.16

Part 2 - Particulars of the Company Subsidiaries

Channel Micron International Limited

1. Company name : Channel Micron International Limited
2. Place of incorporation : BVI
3. Company number : 2015147
4. Incorporation date : 12 June 2019
5. Registered office : Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, VG1110, BVI
6. Principal place of business : -
7. Issued share capital : HK\$4 divided into 4 ordinary shares of HK\$1 per each
8. Directors : Mr. Law Eng Hock
Mr. Ng Yew Sum
Mr. Chia Francis Mong Tet
Mr. Chin Sze Kee
9. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
CM Hi-Tech Cleanroom Limited	4	100.0%

Channel Systems Asia Sdn. Bhd.

1. Company name : Channel Systems Asia Sdn. Bhd.
2. Place of incorporation : Malaysia
3. Company number : 479759-P

4. Incorporation date : 25 March 1999
5. Registered office : 38, Tingkat 2, Jalan Dato Bandar Tunggal, Seremban, Negeri Sembilan, Malaysia
6. Principal place of business : Lot P.T. 14274, Jalan SU8, Persiaran Tengku Ampuan, 40400 Shah Alam, Selangor, Malaysia
7. Issued share capital : RM5,000,000 divided into 5,000,000 ordinary shares
8. Directors : Mr. Ng Yew Sum
Mr. Peter Wayne Borris
Mr. Douglas Frederick Bockmiller
Mr. Francis Chia Mong Tet
9. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
Channel Micron International Limited	5,000,000	100.0%

Channel Systems International Limited

1. Company name : Channel Systems International Limited (捷能系統國際有限公司)
2. Place of incorporation : Hong Kong
3. Company number : 70866373
4. Incorporation date : 21 June 2019
5. Registered office : 6th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong
6. Principal place of business : -
7. Issued share capital : HK\$49,852,701.10 comprising 2 shares
8. Directors : Mr. Ng Yew Sum
Mr. Francis Chia Mong Tet
9. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
Channel Micron International Limited	2	100.0%

Channel Systems (Shanghai) Co. Ltd.

1. Company name : Channel Systems (Shanghai) Co. Ltd.* (捷能系統
建材（上海）有限公司)
2. Place of incorporation : The PRC
3. Company number : 913101157585697270
4. Incorporation date : 18 February 2004
5. Registered office : No. 1 Factory Building, Zone B, No.6999
Chuansha Road, Pudong New Area, Shanghai,
The PRC 上海市浦东新区川路 6999 号 B 区 1 号
厂房
6. Principal place of business : B1, No.6999, Chuansha Rd, Pudong New Area,
Shanghai, The PRC
7. Issued share capital : USD3,850,000
8. Directors : Ng Yew Sum
Peter Wayne Borris
Francis Chia Mong Tet
Douglas Frederick Bockmiller
9. Supervisor : Hartono Liu Chan Ong
10. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
Channel Systems International Limited	3,850,000	100.0%

CSA Technic Sdn. Bhd.

1. Company name : CSA Technic Sdn. Bhd.
2. Place of incorporation : Malaysia
3. Company number : 1156549-H
4. Incorporation date : 24 August 2015
5. Registered office : 38 Tingkat 2, Jalan Dato Bandar Tunggal,
Seremban, Negeri Sembilan, Malaysia
6. Principal place of business : Lot P.T. 14274, Jalan SU8, Persiaran Tengku
Ampuan, 40400 Shah Alam, Selangor, Malaysia
7. Issued share capital : RM1,200,000 divided into 1,200,000 ordinary
shares

8. Directors : Mr. Ng Yew Sum
Mr. Peter Wayne Borris
Mr. Douglas Frederick Bockmiller
Mr. Hee Kok Hiong

9. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
Channel Systems Asia Sdn. Bhd.	1,200,000	100.0%

Max Micron Precision Sdn. Bhd.

1. Company name : Max Micron Precision Sdn. Bhd.
2. Place of incorporation : Malaysia
3. Company number : 1009903-D
4. Incorporation date : 13 July 2012
5. Registered office : 38 Tingkat 2, Jalan Dato Bandar Tunggal, Seremban, Negeri Sembilan, Malaysia
6. Principal place of business : Lot P.T. 14274, Jalan SU8, Persiaran Tengku Ampuan, 40400 Shah Alam, Selangor, Malaysia
7. Issued share capital : RM300,000 divided into 300,000 ordinary shares
8. Directors : Mr. Ng Yew Sum
Mr. Chin Sze Kee
9. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
Micron (M) Sdn. Bhd.	300,000	100.0%

Micron Cleanroom (Philippines), Inc.

1. Company name : Micron Cleanroom (Philippines), Inc.
2. Place of incorporation : Philippines
3. Company number : CS200901941
4. Incorporation date : 12 February 2009
5. Registered office : Unit 906, Page 1 Building, Acacia Ave, Madrigal Business Park, Ayala Alabang, Muntinlupa City

6. Principal place of business : Units 906 and 910, Page I Building, 1215 Acacia Ave. Madrigal Business Park, Ayala Alabang, Muntinlupa City, Philippines
7. Issued share capital : PHP9,490,000 divided into 9,490,000 ordinary shares
8. Directors : Mr. Ng Yew Sum
Mr. Francis Chia Mong Tet
Mr. Chin Sze Kee
Mr. Ng Jun Jie
Mr. Florentino Philip A. Pineda
9. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
Micron (M) Sdn. Bhd.	9,485,000	99.95%
Ng Yew Sum	1,000	0.01%
Francis Chia Mong Tet	1,000	0.01%
Chin Sze Kee	1,000	0.01%
Ng Jun Jie	1,000	0.01%
Florentino Philip A. Pineda	1,000	0.01%

Micron (M) Sdn. Bhd

1. Company name : Micron (M) Sdn. Bhd
2. Place of incorporation : Malaysia
3. Company number : 183307-X
4. Incorporation date : 19 June 1989
5. Registered office : 38 Tingkat 2, Jalan Dato Bandar Tunggal, Seremban, Negeri Sembilan, Malaysia
6. Principal place of business : Lot P.T. 14274, Jalan SU8, Persiaran Tengku Ampuan, 40400 Shah Alam, Selangor, Malaysia
7. Issued share capital : RM568,000 divided into 568,000 ordinary shares
8. Directors : Mr. Ng Yew Sum
Mr. Francis Chia Mong Tet
Mr. Chin Sze Kee
9. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
Channel Micron International Limited	568,000	100.0%

Micron Technology (M) Sdn. Bhd.

1. Company name : Micron Technology (M) Sdn. Bhd.
2. Place of incorporation : Malaysia
3. Company number : 360844-W
4. Incorporation date : 25 September 1995
5. Registered office : 38 Tingkat 2, Jalan Dato Bandar Tunggal, Seremban, Negeri Sembilan, Malaysia
6. Principal place of business : Lot P.T. 14274, Jalan SU8, Persiaran Tengku Ampuan, 40400 Shah Alam, Selangor, Malaysia
7. Issued share capital : RM1,650,000 divided into 1,650,000 ordinary shares
8. Directors : Mr. Ng Yew Sum
Mr. Chin Sze Kee
9. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
Micron (M) Sdn Bhd	1,650,000	100.0%

Channel CR Material (Shanghai) Co. Ltd

1. Company name : Channel CR Material (Shanghai) Co. Ltd.*
(捷能新型建材(上海)有限公司)
2. Place of incorporation : The PRC
3. Company number : 91310115MA1H92YB57
4. Incorporation date : 20 June 2017
5. Registered office : Room 101, 1st Floor, Building 24, No.6999 Chuansha Road, Pudong New Area, Shanghai, The PRC 上海市浦东新区川沙路 6999 号 24 幢一层 101 室
6. Principal place of business : B1, No.6999, Chuansha Rd, Pudong New Area, Shanghai, The PRC
7. Issued share capital : RMB2,000,000
8. Directors : Law Eng Hock
Douglas Frederick Bockmiller
Ng Yew Sum

Francis Chia Mong Tet
Peter Wayne Borris

9. Supervisor : Hartono Liu Chan Ong
10. Registered shareholders :

Shareholder on Record	Number of issued shares	% shareholding
Channel Systems (Shanghai)	2,000,000	100%

**SCHEDULE 2
SALE SHARES AND CONSIDERATION SHARES**

Part 1 - Description of Sale Shares and Purchase Price

Transferors	Number of Sale Shares to be transferred to the Transferee	Percentage of the entire issued share capital of the Company	Corresponding portions of the Purchase Price (HK\$)
Ng Yew Sum	340,028,550	24.29%	85,007,137.50
Law Eng Hock	60,040,050	4.29%	15,010,012.50
Chin Sze Kee	37,091,850	2.65%	9,272,962.50
Luah Kok Lam	5,366,100	0.38%	1,341,525.00

Part 2 - Provisions in respect of settlement of the Purchase Price

On the Completion Date, the Purchase Price is to be settled on the basis of a debt being left outstanding owing to the Transferors by the Transferee), repayment on demand.

Part 3 – Details of Consideration Shares

Transferors	Number of Consideration Shares to be allotted and issued to the Transferors	Corresponding portions of the paid-up capital of the Transferee (HK\$)	Percentage of the paid-up capital of the Transferee
Ng Yew Sum	708	85,007,137.50	24.29%
Law Eng Hock	125	15,010,012.50	4.29%
Chin Sze Kee	77	9,272,962.50	2.65%
Luah Kok Lam	11	1,341,525.00	0.38%

SCHEDULE 3

PART A TRANSFEREE'S WARRANTIES

1. Authority

- (i) The Transferee has full capacity, power and authority to enter into and perform this Agreement and each other document to be executed by it at or before the Effective Date in connection with the Proposal, will constitute legal, valid and binding obligations of it, enforceable against it in accordance with their terms. All corporate action on the part of Transferee, its subsidiaries and their respective officers, directors and shareholders necessary for (a) the authorization of this Agreement and each other document to be executed by it at or before the Effective Date in connection with the Proposal, (b) the performance of all its obligations thereunder, and (c) the authorization, sale, issuance and delivery of the Consideration Shares pursuant hereto has been taken.
- (ii) The execution and delivery of, and the performance by the Transferee of its obligations under this Agreement and each other document to be executed by it at or before the Effective Date in connection with the Proposal will not result in a breach of any order, judgement or decree of any court or governmental agency to which it is a party or by which it is bound.

2. Status

- (i) The Transferee has been duly incorporated and constituted, is legally subsisting under the laws of each of its respective place of incorporation or formation.
- (ii) There has been no resolution, petition or order nor has any step been taken for the winding-up of the Transferee and no receiver has been appointed in respect thereof or any part of the assets thereof and no such resolutions, orders and appointments are imminent or likely nor are there any grounds upon which such resolutions, orders and appointments could be based.
- (iii) The statutory books and registers (if applicable) of the Transferee are written up to date. All such documents and other necessary records, deeds, agreements and documents relating to the affairs of the Transferee are in their possession or under their control.

3. Compliance with applicable legislation

- (i) The Transferee is not in violation of or default under (a) any term of its respective constitutional documents or (b) any provision of any mortgage, indenture, agreement, instrument or contract to which each member of the group of the Transferee is party or by which it is bound, except those which should not have a material adverse effect on its properties, assets, liabilities, financial condition, business, operations or prospects.
- (ii) The Transferee has all regulatory permits, licenses, authorizations and approvals necessary for the conduct of its business as now being conducted

by it. No orders, permissions, consents, approvals or authorizations of any governmental entity are required to be obtained, and no registrations or declarations with any governmental entity are required to be filed, by each of the Transferee in connection with the execution and delivery of this Agreement and each other document to be executed by it at or before the Effective Date in connection with the Proposal, and the offer, sale and issuance of the Consideration Shares, except such as has been duly and validly obtained or filed by it, or, with respect to any filings that must be made by it after the Completion, that will be filed in a timely manner.

- (iii) The execution, delivery and performance of, and compliance with this Agreement and each other document to be executed by it at or before the Effective Date in connection with the Proposal and the issuance and sale of the Consideration Shares will not, with or without the passage of time or giving of notice, (a) violate, be in conflict with or constitute a default under (i) any term of the constitutional documents of any member of the group of the Transferee, (ii) any provision of any mortgage, indenture, contract, agreement, instrument or contract to which any member of the group of the Transferee is party or by which it is bound, or (iii) any judgment, decree, order, writ, injunction, law, statute, rule, regulation or restriction of any governmental entity applicable to any member of the group of the Transferee, or (b) result in (i) the creation of any Encumbrance upon any of the properties or assets of any member of the group of the Transferee or (ii) the suspension, revocation, impairment, forfeiture or nonrenewal of any governmental franchise, permit, license, authorization or approval applicable to any member of the group of the Transferee, any of their business or operations or any of their properties or assets.
- (iv) The Transferee has complied with the provisions of all applicable legislation in its place of incorporation or formation and the places where it carries on its business, including the provisions as to filing of returns, particulars, resolutions and other documents with the relevant authorities in its place of incorporation or formation and the places where it carries on its business, except those which should not have a material adverse effect on its properties, assets, liabilities, financial conditions, business, operations or prospect, and all legal requirements have been complied with in connection with its incorporation and with issues of its shares or other equity interest.

4. Capitalization and Consideration Shares

- (i) All issued and outstanding shares (if applicable) of the Transferee have been duly authorized and validly issued, are fully paid and non-assessable and were issued in compliance with all applicable laws concerning the issuance of securities.
- (ii) The Consideration Shares immediately after their issue will represent 31.61% of the total number of outstanding shares of the Transferee on a fully-diluted basis as set out in Schedule 2, will have been duly authorized and validly issued, will have been issued in compliance with all applicable laws concerning the issuance of securities, and will be free and clear of any Encumbrances credited as fully paid and non-assessable and, rank *pari passu* in all respect with all existing shares of the Transferee. There is not in issue any other shares, warrants, options or other equity interest of any description in respect of the Transferee. The issuance and sale of the Consideration Shares are not and

will not be subject to any preemptive rights or rights of first refusal that have not been properly waived or complied with.

- (iii) The Transferee has delivered to the Transferors its latest certificate of incumbency.

5. Consents and Licences

- (i) All consents, permissions, approvals and agreements of third parties which the Transferee is required to obtain in order to enter into and perform this Agreement and each other document to be executed by it at or before the Effective Date in connection with the Proposal in accordance with its terms have been unconditionally obtained in writing.
- (ii) All licences, permissions, consents and approvals required for the carrying on of the business of the Transferee (including all local and foreign government licences, permits, consents and approvals) have been obtained by them and are in full force and effect.

6. Litigation, Defaults and Investigation

- (i) the Transferee is not engaged or proposing to engage in any litigation, arbitration, prosecution or other legal proceedings, and there are no claims or actions (whether criminal or civil) in progress, outstanding, pending or threatened against the Transferee or any of their assets or in respect of which the Transferee is liable to indemnify any party concerned.
- (ii) No governmental or official investigation or inquiry concerning the Transferee is in progress or threatened and, there are no circumstances which are likely to give rise to any such investigation or inquiry.
- (iii) No unsatisfied judgement, decree, order, writ or injunction is outstanding against the Transferee.

PART B **TRANSFERORS' WARRANTIES**

The Transferors' Warranties are subject to matters in the Disclosure.

1. The Sale Shares

- 1.1 The Transferors are the sole legal and exclusive beneficial owner of their relevant Sale Shares and has the right, power and authority to sell, transfer or otherwise dispose of or procure the sale, transfer or disposal of the Sale Shares free from any Encumbrances at Completion;
- 1.2 The Sale Shares represent 31.61% of the issued and paid-up share capital of the Company and have been duly issued and allotted and are fully-paid-up or credited as fully paid up.
- 1.3 The Sale Shares are free from any Encumbrances, and nothing has been done or will be done at or before Completion for or relating to the creation of any Encumbrance over or in respect of the Sale Shares; and
- 1.4 In relation to the Sale Shares:

- (a) no option has been granted which is subsisting; and
 - (b) no pre-emptive right or right of first refusal has been granted which is subsisting.
- 1.5 The Sale Shares rank *pari passu* inter se.
- 1.6 No right has been granted to any person to require any Group Company to issue any share capital or other securities to any person and no Encumbrance has been created in favour of any person affecting any issued or unissued shares or debentures or other issued or unissued securities of any Group Companies.
- 1.7 No commitment has been given to dispose of or create an Encumbrance affecting the Sale Shares (or any other unissued shares or debentures or other unissued securities of the Company) or the share capital of a Group Company or for any of them to issue any share capital and no person has claimed any rights in connection with any of those things.
- 1.8 Part 2 of Schedule 1 lists all the Company Subsidiaries at the date of this Agreement and sets out particulars of the number of their issued shares. Such share capital is and will be on the Completion Date, free from all Encumbrances and other adverse claims. Save as aforementioned, the Company does not hold nor has ever held, any legal and/or beneficial interest in the equity or debt securities of any other company (whether incorporated in the British Virgin Islands, Hong Kong, the PRC, Malaysia, the Philippines or elsewhere).
- 1.9 The issued paid-up capital of the Group Companies has been fully paid up.
- 1.10 None of the Company or the Group Companies:
- (a) holds or beneficially owns, or has agreed to acquire, any securities of any corporation other than as stated above; or
 - (b) is or has agreed to become a member of any partnership or other unincorporated association, joint venture or consortium; or
 - (c) has, outside its country of incorporation, any branch or permanent establishment; or
 - (d) has allotted or issued any securities that are convertible into shares or registered capital, as the case may be.
- 1.11 All dividends or distributions declared, made or paid by each Group Company have been declared, made or paid in accordance with its respective memorandum, articles of association or equivalent constitutional documents in its jurisdiction of incorporation, all applicable laws and any agreements or arrangements made with any third party regulating the payment of dividends and distributions.

2. Corporate Matters

- 2.1 Each member of the Group is a company duly incorporated with limited liability or otherwise established under the laws of its respective jurisdiction of incorporation, and has been validly existing and (where relevant to such jurisdiction) in good standing since incorporation. The books and records of each member of the Group have been maintained in accordance with Applicable Laws in all material respects.

- 2.2 The Company is duly authorised, has the requisite power and authority and has obtained or satisfied all corporate and regulatory Approvals necessary to execute and deliver this Agreement and exercise its rights and perform its obligations under this Agreement in accordance with its terms.
- 2.3 The Company's obligations under this Agreement constitute valid, legal and binding obligations of it enforceable in accordance with its terms.
- 2.4 Other than in compliance with the applicable requirements under the Takeovers Code, the Listing Rules and the Companies Act in respect of the Proposal and the Scheme, neither the execution nor performance of this Agreement nor the implementation and completion of the Proposal and the Scheme will result in or constitute:
- 2.4.1 a violation or breach by the Company or a member of the Group of any Applicable Laws;
- 2.4.2 a breach by the Company or a member of the Group of the terms of its constitutional documents or bye-laws; or
- 2.4.3 a breach by the Company or, to the best of the knowledge of the Company, a member of the Group of any Material Contract, undertaking commitment, agreement or instrument to which the Company or any member of the Group is a party, or any loan to or mortgage created by any member of the Group, or relieve any other party to a contract with any member of the Group of its obligations under such contract, or entitle such party to terminate or modify such contract, whether summarily or by notice, or result in the creation of any Encumbrance under any agreement, licence or other instrument, or result in a breach of any order, judgment or decree of any court, governmental Authority or regulatory body to which any member of the Group is a party or by which any member of the Group or any of their respective assets is bound,

PROVIDED THAT there shall be no breach of this Transferors' Warranty if any necessary consents or waivers will have been obtained from relevant third parties before the Effective Date.

- 2.5 All directors, auditors and other officers of any member of the Group have been duly appointed in accordance with the constitutional document of such member of the Group and the Applicable Laws.
- 2.6 Save as set out in Part 2 of Schedule 1 to this Agreement, no member of the Group owns or has any interest of any nature whatsoever in any share, debenture or other security of any kind issued by any undertaking.
- 2.7 No member of the Group is, nor has agreed to become, a member of or party to any partnership, joint venture, consortium or other unincorporated association, body or undertaking or profit or loss sharing arrangement with any other entity or business.
- 2.8 Save as set out in Part 2 of Schedule 1 to this Agreement, no member of the Group has any branch, agency, place of business or permanent establishment
3. **Securities of the Group**
- 3.1 The relevant securities of the Company in issue as at the date of this Agreement comprise 1,400,000,000 Shares (which are fully paid up and rank *pari passu* with each

other) and, save for the aforesaid, the Company has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this Agreement.

3.2 The Company is the legal and beneficial owner of 100 per cent. of the equity interests or (as the case may be) authorised share capital of all other members of the Group (other than as disclosed in the FY2023 Financial Statements) and there are no Encumbrances on the shares or (as the case may be) authorised capital of any member of the Group, and all transfers of shares (if any) or (as the case may be) authorised capital of any member of the Group have been effected in accordance with the constitutional document of such member of the Group and Applicable Laws.

3.3 All the relevant securities of any member of the Group have been duly authorised and validly allotted and issued, are fully paid-up and rank *pari passu* in all respects with each other. No member of the Group has any outstanding warrants, convertible securities or options in issue and is not subject to any actual or contingent obligation to issue or convert securities except as required or contemplated by this Agreement, and it will not announce, declare, pay or make any dividend or any distribution (in cash or in kind) to the Shareholders.

3.4 As at the date of this Agreement:

3.4.1 there are no unexercised options and no obligation to grant any options to any employees of the Group;

3.4.2 no share options have been granted since the adoption of the Share Option Scheme;

3.4.3 save for the Share Option Scheme, there are no other share option scheme or similar equity incentive schemes for the granting of options and/or incentives to any employees of the Group.

4. Insolvency

4.1 No petition has been presented, no order has been made or resolution passed for the winding up of any member of the Group or for the appointment of a liquidator or a provisional liquidator to any member of the Group. So far as each of the Transferors is aware, there are no grounds on which any person would be entitled to have any member of the Group wound-up, nor has any person threatened to present such petition or convened or threatened to convene a meeting of any member of the Group to consider a resolution to wind up such member of the Group.

4.2 No receiver, administrative receiver or similar officer has been appointed, nor any written notice given of the appointment of any such person, over the whole or part of any member of the Group's business or assets and so far as each of the Transferors is aware there are no grounds on which any person would be entitled to have any member of the Group placed in administration or judicial management, nor has any person threatened to present such a petition.

5. Intellectual Property

5.1 The Group owns or otherwise holds the rights to use all Intellectual Property of the Group which are necessary for its business as currently conducted. All Intellectual Property owned or used by the Group is valid, subsisting, enforceable and free from any licence, Encumbrance and restriction on use or disclosure obligation. So far as

each of the Transferors is aware, nothing has been done or omitted to be done by which any of the Intellectual Property owned or used by the Group which is necessary for its business as currently conducted may cease to be valid and enforceable.

- 5.2 So far as each of the Transferors is aware, none of the operations of any member of the Group infringe upon any Intellectual Property held by any third party in any material respects and, so far as each of the Transferors is aware, there is not, and has not been in the preceding three (3) years, an actual or alleged infringement or unauthorised use of any of the Intellectual Property used by any member of the Group.
- 5.3 All application and renewal fees, costs and charges relating to the Intellectual Property of the Group necessary for its business as currently conducted have been duly paid on time and no payments have been made in excess of the rates specified under the relevant applications, contracts, agreements and/or licences (as the case may be).
- 5.4 All actions required to be taken to protect and maintain the Intellectual Property owned by the Group have been taken by the relevant deadline, and nothing is due to be done, the omission of which would jeopardise the maintenance or registration of any Intellectual Property owned by the Group.

6. **General Regulatory Matters**

- 6.1 Each member of the Group has conducted its business and dealt with its assets in all material respects in accordance with the requirements of Applicable Laws. So far as each of the Transferors is aware, there is and has been since the Company became listed on the Stock Exchange, no governmental or other investigation or disciplinary proceeding concerning a member of the Group which would have a Material Adverse Effect on the Group taken as a whole and there is no such investigation or proceeding pending or threatened. So far as each of the Transferors is aware, no fact or circumstance exists which might reasonably be expected to give rise to an investigation, enquiry or proceeding of that type.
- 6.2 So far as each of the Transferors is aware, there have not been and there are no material breaches by any member of the Group of its constitutional documents.
- 6.3 So far as each of the Transferors is aware, and within the preceding three (3) years, no member of the Group and none of the Group's director, officer, agent, employee, affiliate or any other person acting for or on behalf of the foregoing, has violated and has been investigated by relevant Authorities in respect of a violation of, any applicable Anti-Bribery Laws, has not been investigated regarding any unlawful payment of money or anything of value (including, without limitation, any unlawful contribution, gift, entertainment or other unlawful inducement), directly or indirectly, to any person or a government official or to a political party, in each case, for the purpose of: (a) influencing any act or decision of a government official in his/her official capacity; (b) inducing such person to act (including through action or omission) in violation of the lawful duty of such person, or to enter into an agreement or arrangement with any member of the Group; (c) securing any improper advantage; or (d) inducing such person to use his/her influence to affect or influence any act or decision of a Authority in order to assist any member of the Group in obtaining or retaining business for or with, or directing business to, any person.
- 6.4 So far as each of the Transferors is aware, and within the preceding three (3) years, no member of the Group and none of the Group's director, officer, agent, employee, affiliate or any other person acting for or on behalf of the foregoing is owned or

controlled by a person that is targeted by, or the subject of, or in breach of any sanctions from time to time administered by any relevant governmental entity.

6.5 So far as each of the Transferors is aware and within the preceding three (3) years, the operations of all members of the Group are and have been conducted at all times in compliance with applicable Anti-Money Laundering Laws and no action, suit or proceeding by or before any court or governmental or regulatory agency, authority or body or any arbitrator involving any members of the Group with respect to the Anti-Money Laundering Laws is pending or threatened.

6.6 Licences and Consents

6.6.1 All statutory, municipal and other licences, consents, authorisations, orders, warrants, confirmations, permissions, certificates, approvals and authorities (the “**Licences**”) necessary for the carrying on of the businesses and operations of each member of the Group have been obtained, are in full force and effect and all conditions applicable to any such Licences of the Group have been and are being complied with in all material respects.

6.6.2 There is no investigation, enquiry or proceeding outstanding which is likely to result in the suspension, cancellation, modification or revocation of any of the Group’s Licenses. So far as each of the Transferors is aware, none of the Group’s Licenses is likely to be suspended, cancelled, refused, modified or revoked (whether as a result of entering into this Agreement, consummating the Transaction, implementing the Scheme or otherwise).

7. **Connected Transactions**

7.1 Except as disclosed in any announcement or circular of the Company, there are no subsisting connected transactions of the Group other than those which are exempted from the reporting and announcement requirements under Chapter 14A of the Listing Rules.

7.2 All transactions which have been undertaken by any member of the Group with any of the directors of any member of the Group or his Related Persons:

(a) were undertaken on arm’s length terms; and

(b) in accordance with transfer pricing requirements under Applicable Laws.

8. **Information**

8.1 All information contained in this Agreement and all other information which has been given in writing by or on behalf of any member of the Group to the Transferee or any of its agents, directors, officers, representatives and advisers in the course of the due diligence or other investigation carried out by or on behalf of the Transferee prior to entering into this Agreement was when given, so far as each of the Transferors is aware, true, complete, accurate and not misleading, and as at the date of this Agreement, each of the Transferors is not aware of any fact or matter or circumstance which renders or will render any such information untrue or inaccurate in any respect.

All material information relating to the Group has been announced on the Stock Exchange in compliance with its continuing disclosure requirements.

- 8.2 All information relating to the Group which have been disclosed to the Transferee for the purposes of informing the Transferee about the Group and its assets and the Company have been prepared in good faith by the Company and its agents, directors, officers, representatives and advisers, after reasonable enquiry, and the Company has not knowingly omitted any fact and is not aware of any such information being inaccurate or misleading.

9. ACCOUNTS

9.1 Latest Audited Accounts

9.1.1 The FY2023 Financial Statements have been properly drawn up in accordance with the Hong Kong Financial Reporting Standards (“**HKFRSs**”) issued by the Hong Kong Institute of Certified Public Accountants (“**HKICPA**”) and the disclosure requirements of the Companies Ordinance.

9.1.2 The FY2023 Financial Statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with HKFRSs issued the HKICPA and have been properly prepared in compliance with the disclosure requirements of the Companies Ordinance.

9.2 Changes since the FY2023 Financial Statements Date

There have been no changes in the financial position of the Group which have a Material Adverse Effect and, in particular:

9.2.1 its business has been carried on solely in the ordinary and usual course, without any material interruption or alteration in its nature, scope or manner, and so as to maintain the same as a going concern, save and except for events that may occur as a result of an act of God;

9.2.2 it has not entered into any transaction or assumed or incurred any liabilities (including contingent liabilities) or made any payment or given any guarantee, indemnity or suretyship not provided for in the FY2023 Financial Statements, otherwise than in the ordinary and usual course of carrying on its business;

9.2.3 its cash and bank balances have not been affected by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms and in the ordinary and usual course of carrying on business;

9.2.4 its profits have not been affected by changes or inconsistencies in accounting treatment, by any non-recurring items of income or expenditure, or by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms;

9.2.5 it has not entered into any unusual, long term and onerous commitments and contracts; and

9.2.6 none of the members of the Group has entered into or proposed to enter into any capital commitments other than in the ordinary and usual course of business.

9.3 **Absence of Undisclosed Liabilities**

There are no material liabilities (including material contingent liabilities) of any member of the Group which are outstanding on the part of each member of the Group, other than

9.3.1 liabilities publicly disclosed and to the extent provided for in the FY2023 Financial Statements or otherwise publicly announced by the Company on the Stock Exchange thereafter;

9.3.2 liabilities disclosed elsewhere in this Agreement; or

9.3.3 liabilities incurred in the ordinary and usual course of business since the FY2023 Financial Statements Date.

9.4 **Trade and Other Receivables**

The trade and other receivables, including accrued revenue in the FY2023 Financial Statements are stated at figures not exceeding the amounts which could, in the circumstances existing at the date of the FY2023 Financial Statements, reasonably be expected to be realised in the ordinary and usual course of carrying on the business of the Group. No new adverse events have occurred that would give doubt as to the ability to realise all current trade and other receivables in the ordinary and usual course of business after taking into account any provision for bad and doubtful debts made in the FY2023 Financial Statements.

9.5 **Inventory**

Inventory (whether raw materials, work-in-process, or finished goods) in the FY2023 Financial Statements are stated at figures not exceeding the amounts which could, in the circumstances existing at the date of the FY2023 Financial Statements, reasonably be expected to be utilised or realised in the ordinary and usual course of carrying on the business of the Group.

10. **CONTRACTUAL ARRANGEMENTS**

10.1 **Contracts**

No member of the Group is, or has been, a party to any contract or transaction with a third party which:

- (a) is outside the ordinary and usual course of business;
- (b) is not wholly on an arm's length basis; or
- (c) is of a loss-making nature that would have a Material Adverse Effect.

10.2 Except in the ordinary and usual course of business, no member of the Group:

- (a) is, or has agreed to become a party to any agency, distributorship, marketing, purchasing, manufacturing or licensing agreement or arrangement or any agreement or arrangement which restricts its freedom to carry on its business in any part of the world in such manner as it thinks fit;
- (b) is, or has agreed to become, a member of any joint venture, consortium, partnership or other unincorporated association; or
- (c) is, or has agreed to become, a party to any agreement or arrangement for participating with others in any business, sharing commissions or other income.

10.3 **Compliance with Agreements**

All the contracts and all leases, tenancies, licences, concessions and agreements to which any member of the Group is a party are valid, binding and enforceable obligations of the relevant members of the Group, and the terms thereof have been complied with in all material respects by the relevant members of the Group. So far as each of the Transferors is aware, there are no circumstances likely to give rise to any breach of such contracts, leases, tenancies, licences, concessions or agreements and no notice of termination or of intention to terminate has been received in respect of any thereof.

10.4 **Customers and Suppliers**

So far as each of the Transferors are aware, no single customer or supplier of any member of the Group (to the extent not substituted or replaced by other customers or suppliers (as the case may be)) has, on or after the date of this Agreement, been induced to cease or refrain from conducting business with, or to reduce the amount of business conducted with, or to vary adversely the terms upon which it conducts business with the Group, or do any other thing which is reasonably likely to have such an effect, the loss of which would have a Material Adverse Effect. For the avoidance of any doubt, this does not include event on natural loss of any single customer or supplier in the ordinary course of business.

11. **TAXATION MATTERS**

11.1 **Returns, information and Clearances**

11.1.1 So far as each of the Transferors are aware, all returns, accounts, computations, notices and information which are or have been required to be made, given or delivered by any member of the Group for any Taxation purpose (a) have been made, given or delivered within the requisite periods or within permitted extensions of such periods; (b) are up-to-date, complete and accurate in all material respects and made on a proper basis; and (c) none of them is the subject of any dispute with the Taxation authority.

11.1.2 So far as each of the Transferors are aware, all Taxes assessed or imposed by any Taxation authority which have been assessed upon the Group which are due and payable on or before the Effective Date have been paid and were paid on or before the relevant due date for payment or will be paid before the

relevant due date for payment. There are no Tax liens on any of the assets of the Group.

11.2 Tax Incentives

11.2.1 So far as each of the Transferors are aware, all the tax incentives and preferential tax treatment enjoyed by the Group as at the date of this Agreement will not be affected, varied, withdrawn or revoked as a result of the Transaction or the implementation of the Scheme. Each member of the Group has complied with all the conditions subject to which tax incentives have been granted to such member of the Group.

11.2.2 So far as each of the Transferors are aware, no relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, repayment or allowance or otherwise) from, against or in respect of any Taxation has been claimed and/or given to any member of the Group which could be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of any act or omission by such member of the Group.

11.3 Tax Claims

So far as each of the Transferors are aware, no single Claim for Taxation has been made:

11.3.1 in respect of or arising from any transaction effected or deemed to have been effected on or before the Effective Date; or

11.3.2 by reference to any income, profits or gains earned, accrued or received on or before the Effective Date,

except:

(1) to the extent that Taxation was paid, provided for or accrued in respect thereof in the FY2023 Financial Statements or to the extent that Taxation was paid, provided for or accrued in respect thereof in any of the audited accounts or unaudited accounts or management accounts of a member of the Group or the Company on a consolidated basis up to the Effective Date; and

(2) to the extent that such Claim arises as a result only of any provision or reserve in respect thereof being insufficient by reason of any increase in rates of Taxation made after the date hereof with retrospective effect.

11.4 Tax Audits

So far as each of the Transferors are aware, there is no investigation by any Taxation Authority in process or, as far as each of the Transferors is aware, pending with respect to any Tax returns of any member of the Group, other than queries raised by a Taxation authority in its usual review of such Tax returns by a member of the Group.

12. ASSETS (INCLUDING PROPERTIES)

12.1 Title to Assets

12.1.1 All assets which are included in the FY2023 Financial Statements are the

absolute property of such member of the Group and (save for those subsequently disposed of or realised in the ordinary and usual course of business) all such assets and properties and all debts which have subsequently been acquired or arisen are the absolute property of such member of the Group.

12.1.2 Each member of the Group has good title to all assets free from Encumbrances, save for Encumbrances in the ordinary and usual course of carrying on its business.

12.1.3 All such assets are, where capable of possession, in the possession of or under the control of the relevant member of the Group, or the relevant member of the Group is entitled to take possession or control of such assets.

12.2 Properties

12.2.1 The relevant Properties which are held under lease by a member of the Group, are held under a valid, subsisting and enforceable lease/tenancy agreement with such exceptions as do not materially interfere with the use or proposed use of such property and buildings, and there have been no past or present breaches under any of such leases.

12.2.2 The Properties are not, and no part thereof is, affected by any of the following matters or (so far as each of the Transferors is aware) is likely to become so affected:

- (a) any outstanding order, dispute, notice or complaint or any exception, reservation, right, covenant, restriction or condition which is of an unusual nature or which affects or might in the future affect the use of the Properties for the purpose for which it is now used; or
- (b) any notice, order, demand, requirement or proposal made or issued by or on behalf of any Authority for compulsory acquisition, requisition, clearance, demolition, closing or otherwise, the carrying out of any work upon any building, the modification of any planning permission, the discontinuance of any use, the imposition of any building or improvement line or any other circumstances which may result in any such order or notice being made or served or which may otherwise adversely affect the Properties.

12.3 Insurance

12.3.1 Each of the current insurance and indemnity policies in respect of which any member of the Group has an interest (including any active historic policies which provide cover on a losses occurring basis but excluding insurances relating to the payment of hospital and other medical expenses) (the "**Policies**") is valid and enforceable and is not void or voidable.

12.3.2 In respect of all Policies, all premiums have been duly paid to date.

12.3.3 No claims have been made or are outstanding in respect of, and as far as each of the Transferors is aware, no fact or circumstance exists which might give rise to a claim under, any of the Policies.

12.3.4 Each member of the Group has obtained all insurance required under any Applicable Laws, contract or arrangement to which it is bound or a party to (as the case may be), and such insurances obtained conform in all material respects with the requirements of such Applicable Laws, contract or arrangement and are in full force and effect.

13. EMPLOYMENT

13.1 Each member of the Group has in relation to each of its employees (and so far as relevant to each of its former employees) complied in all respects with:

13.1.1 all obligations imposed on it by all statutes, regulations and codes of conduct and practice relevant to the relations between it and its employees or any trade union, including, making deductions and payments in respect of contributions (including employer's contributions) to any relevant competent Authority;

13.1.2 all collective agreements and customs and practices for the time being dealing with such relations or the conditions of service of its employees; and

13.1.3 all relevant orders and awards made under any relevant statute, regulation or code of conduct and practice affecting the conditions of service of its employees.

13.2 Without prejudice to the generality of paragraph 13.1:

13.2.1 each member of the Group has complied in all material respects with the employment laws of the relevant jurisdiction including, *inter alia*, the foreign worker quota, the provisions relating to the work pass conditions of the Group's foreign workers, the termination of the Group's employees and provision of reimbursement of medical expenses to the Group's employees; and

13.2.2 each member of the Group has complied in all material respects with any mandatory notification and/or reporting requirements in relation to its past and present employees to the relevant Authority in charge of labour law in the relevant jurisdiction.

13.3 Since the FY2023 Financial Statements Date, there has been no strike, work to rule, work stoppage, work interference activity or industrial action (official or unofficial) by any employee of any member of the Group, threatened or on-going.

13.4 There are not in existence nor has any proposal been announced to establish any retirement, death or disability benefit schemes for directors or employees nor are there any obligations to or in respect of present or former directors or employees with regard to retirement, death or disability pursuant to which any member of the Group is or may become liable to make payments of a material nature and no pension or retirement or sickness gratuity of a material nature is currently being paid or has been promised by any member of the Group to or in respect of any former director or former employee.

13.5 There are no terms of employment, consultancy, appointment or contract for any employees of any member of the Group which provide that a change in control of any member of the Group (howsoever defined therein) shall entitle any employee to treat the change in control as amounting to a breach of the contract or entitling him to any payment or benefit or enhanced notice period whatsoever or entitling him to treat himself as redundant or dismissed or released from any obligation.

14. ENVIRONMENT

No toxic industrial waste or toxic substance (as defined in any environmental legislation) or any other toxic or hazardous gaseous, liquid or solid material or waste that may or could pose a hazard to the environment or human health or safety, is or has been present at, on or under, or has been spilt, leaked, released, deposited, discharged or disposed in the soil or water in, under, around or upon any real properties owned, leased or occupied by any member of the Group (or at any other property by any member of the Group or any of its predecessors), except where such discharge or disposal is made by the Group in compliance with all applicable laws and regulations where it carries on business, or where such spill, leakage, release, deposit, discharge or disposal would not result in any liability under any applicable laws or regulations.

15. LITIGATION, ARBITRATION OR INVESTIGATIONS

- 15.1 As of the date of this Agreement, no litigation, arbitration or administrative proceeding is current or pending or, so far as each of the Transferors is aware, threatened, to restrain the entry into, exercise of the Company's rights under and/or performance or enforcement of or compliance with its obligations under this Agreement.
- 15.2 As at the date of this Agreement, no litigation, arbitration or administrative proceeding is current or pending or, so far as each of the Transferors is aware, threatened, against any member of the Group which has or could have a Material Adverse Effect.
- 15.3 As of the date of this Agreement, there is no investigation or enquiry by, any court, tribunal, arbitrator, governmental Authority or regulatory body outstanding or anticipated against any member of the Group which has or could have a Material Adverse Effect.

SCHEDULE 4 COMPLETION

Part 1 - What the Transferors shall deliver to the Transferee at Completion

At Completion, the Transferors shall deliver to the Transferee the documents and evidence set out in this Part 1 of this Schedule 4:

1. instruments of transfer of the Sale Shares executed by the Transferors in favour of the Transferee and any ancillary documents if any;
2. the original share certificates for the Sale Shares in the name of the Transferors or an indemnity in the agreed form for any lost certificates;
3. the waivers, consents and other documents required to enable the Transferee to be registered as the holder of the Sale Shares (if any);
4. the original of any power of attorney under which any document to be delivered to the Transferee under this paragraph has been executed (if any);
5. certificates in respect of all the issued shares of each of the Company Subsidiaries and transfers, in favour of any person the Transferee directs, of all shares in any Company Subsidiary held by a nominee for the Company or another Company Subsidiary;
6. in relation to the Company and each of the Company Subsidiaries, the statutory registers and minute books (written up to the time of Completion), the common seal (if any), certificate of incorporation and any certificates of incorporation on change of name; and
7. a certified copy of the minutes of the board meeting(s) held (or as the case may be, written resolutions of the directors passed) pursuant to Part 2 of this Schedule 4.

Part 2 - Matters for the board meeting(s) at Completion

1. The Transferors shall cause the board of directors of the Company to approve at Completion, the matters set out in paragraph 2 below.
2. A resolution to approve the registration of the transfer of the Sale Shares from the Transferors to the Transferee, subject (if necessary) to the instrument of transfer(s) being stamped at the cost of the Transferee.

Part 3 - What the Transferee shall deliver to the Transferors at Completion

At Completion, the Transferee shall deliver to the Transferors the documents as set out in this Part 3 of Schedule 4:

1. share certificates in respect of the Consideration Shares to the Transferors (or such person as the Transferors direct) and to update the register of members with the name of the Transferors (or such person as the Transferors direct); and
2. a certified true copy of the minutes of the meeting of the board of directors of the Transferee (or written resolution of the directors) at which (a) this Agreement and the Transaction shall be approved; (b) the allotment and issue of the Consideration Shares

be approved; and (c) the execution of any other documents referred to in this Agreement as being required to be delivered by it be approved.

SCHEDULE 5 LIMITATION OF LIABILITY

The provisions of this Schedule 5 shall operate to limit the liability of each of the Parties in respect of any Claim.

1. Joint and several liability of the Transferors

The Parties hereby agree that each of the Transferors shall be jointly and severally liable for any Claims under, arising out of or in connection with Clause 7 of this Agreement and/or a breach of the Transferors' Warranties set out in Schedule 3, whenever and on whatever basis made.

2. Maximum total liability of the Parties

(a) The maximum aggregate liability of the Transferors (in aggregate) in respect of all Claims under, arising out of or in connection with connection with Clause 7 of this Agreement, and/or a breach of the Transferors' Warranties , whenever and on whatever basis made, shall be an amount of HK\$25.0 million.

(b) The maximum aggregate liability of the Transferee in respect of all Claims under, arising out of or in connection with connection with Clause 7 of this Agreement, and/or a breach of the Transferee's Warranties, whenever and on whatever basis made, shall be an amount of HK\$25.0 million.

3. Time limit for Claims

(a) Each of the Transferors shall be under no liability in respect of any Claim unless written notice of such Claim setting out details of the relevant Claim (including the grounds on which such Claim is based and, if practicable, the amount claimed to be payable in respect thereof) shall have been served upon the Transferors not later than 5.00 p.m. on the third anniversary of the Completion Date.

(b) The Transferee shall be under no liability in respect of any Claim unless written notice of such Claim setting out details of the relevant Claim (including the grounds on which such Claim is based and, if practicable, the amount claimed to be payable in respect thereof) shall have been served upon the Transferee not later than 5.00 p.m. on the third anniversary of the Completion Date.

4. No double recovery and sequence of claims

4.1 None of the Parties will be liable in respect of a Claim to the extent that:

(a) the loss that is the subject of such Claim has already been fully recovered in respect of any other Claim or fully compensated for by an indemnity or accounted for by way of set-off or reduction howsoever arising; or

(b) allowance, provisions or reserve is specifically made in the FY2023 Financial Statements for the matter giving rise to the Claim.

4.2 All Claims against the Transferors shall be made in the following order of priority:

(a) first, against any subsisting insurance policies of the Company and/or its Subsidiaries;

- (b) second, by the payment of cash by the Transferors to the Transferee upon demand;
- (c) third, where the Claim cannot be satisfied in the manner set out in paragraph 00 above in full, the Transferors shall waive and the Transferee shall be entitled to set-off and deduct any unsatisfied portion of the Claim from any amounts due to the Transferors from the Transferee;
- (d) fourth, where the Claim cannot be satisfied in full in the manner set out in paragraph 00 and 00 above, the unsatisfied portion of the Claim shall be set-off and deducted from any amounts payable by the Transferee and/or MayAir Technology (China) Co., Ltd. and/or its Affiliates to the Transferors.

5. Matters for which the Transferors are not liable

Each of the Transferors shall not be liable for any Claim which would not have arisen but for:

- (a) any act, omission or transaction carried out before the Scheme becomes effective by any of the Transferors at the written direction or with the written approval of the Transferee;
- (b) any act, omission or transaction of the Transferee after the Scheme becomes effective, PROVIDED THAT the Transferors had not, directly or indirectly, participated in or procured such act, omission or transaction;
- (c) any changes in legislation, law, rule, regulation or administrative practice of any government, governmental department, agency or regulatory body including (without prejudice to the generality of the foregoing) any changes in interpretation or application of legislation, increase in the rates of Taxation or any imposition of Taxation or any withdrawal of relief from Taxation not actually (or prospectively); and/or
- (d) any change in accounting or Taxation policy, bases or practice of the Group introduced or having effect after the Scheme becoming effective.

6. Notification of Claims

A breach of any Transferors' Warranty or Transferee's Warranty under this Agreement which is capable of remedy shall not entitle the Transferee or the Transferors to compensation unless the Transferors are or the Transferee is given written notice of the breach by Transferee or the Transferors and such breach (if capable of remedy) is not remedied to the Transferee's or the Transferors' satisfaction, in its sole and absolute discretion, within 15 Business Days after the date on which such notice is served on the Transferors or the Transferee subject to the extension at the sole discretion of the Transferee or the Transferors, as the case may be.

Each of the Transferors hereby agrees that any notice given by the Transferee to any of the Transferors shall be deemed to be duly given to all the Transferors and the Transferee shall not be bound to inquire as to whether any such notice is actually given to the other Transferors (as the case may be).

7. **Fraud**

None of the limitations contained in this Schedule 5 shall apply to any Claim which arises or is increased, or to the extent which it arises or is increased, as a consequence of, or which is delayed as a result of fraud, willful misconduct, willful default or willful concealment by any Parties or any of their respective advisers, consultants, agents, employees, directors, officers or other representatives.

8. **Mitigation of losses**

Each Party shall procure and ensure that all reasonable steps are taken and all reasonable assistance is given to avoid or mitigate any Claim.

9. **Consequential loss**

Notwithstanding anything to the contrary contained herein, in no event shall any Party be liable to the Parties hereunder or in respect of the transactions contemplated hereby for any punitive, special, indirect or consequential damages or losses or any loss of profits or revenues or loss of opportunity or business (other than such damages payable to a third party).


IN WITNESS WHEREOF the parties hereto have signed this agreement on the date appearing at the head hereof

THE TRANSFERORS

SIGNED by NG YEW SUM
in the presence of:



NG YEW SUM

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) _____
Name: NG YEW SUM

SIGNED by LAW ENG HOCK
in the presence of:


Liichanmy
Hectoro Liu.

)
) 
Name: LAW ENG HOCK

SIGNED by CHIN SZE KEE
in the presence of:



NG JUN JIE

)
) 
Name: CHIN SZE KEE

SIGNED by LUAH KOK LAM
in the presence of:



NG JUN JIE

)
)



Name: LUAH KOK LAM

THE TRANSFEREE

SIGNED by **CHIN KIM FA**
for and on behalf of
MAYAIR HK HOLDINGS LIMITED
in the presence of:



Tan Chia Ching
Solicitor
Howse Williams
27/F Alexandra House
18 Chater Road
Central
Hong Kong SAR

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Name: CHIN KIM FA
Director