

## DEED OF INDEMNITY

**THIS DEED OF INDEMNITY** is dated the 14th day of October 2024 and is made by:

- (1) **THE PERSONS WHOSE NAMES AND ADDRESSES** are set out in the Schedule 1 hereto (each a “**Rollover Shareholder**” and collectively “**Rollover Shareholders**”);

### IN FAVOUR OF:

- (2) **MAYAIR HK HOLDINGS LIMITED (Business Registration number: 76976316)**, a company incorporated in Hong Kong whose registered address is 27/F, Alexandra House, 18 Chater Road, Central, Hong Kong, which is a wholly-owned subsidiary of **MAYAIR TECHNOLOGY (CHINA) CO., LTD.**, a company established in the People’s Republic of China whose registered address is at No. 101, Lanxia Road, Moling Sub-district, Jiangning District, Nanjing City, Jiangsu Province, the PRC 211111 (“**Offeror**”).

### WHEREAS

- (A) Each of the Rollover Shareholders acknowledges that:
- (1) the Offeror intends, subject to Recital (A)(4), to privatise the Target by way of a Scheme under section 86 of the Companies Act substantially upon the terms and conditions set out in the Joint Announcement in the form to be appended as a schedule to the Implementation Agreement (the “**Transaction**”);
  - (2) the Scheme will be in accordance with the requirements of the Companies Act and the Takeovers Code, together with such additional terms and conditions as may be determined by the Offeror and the Target in their discretion and as are required to comply with the rules of the Companies Act, and the Takeovers Code, all of which will be more fully set out in a Scheme Document;
  - (3) the Scheme will be proposed to the Scheme Shareholders and will involve the following, as more particularly described in the Joint Announcement:
    - (i) all the 957,473,450 Scheme Shares (representing approximately 68.39% of the issued share capital of the Target) will be cancelled and extinguished on the Effective Date in consideration for the Cancellation Price which shall be paid by the Offeror in cash;
    - (ii) contemporaneously with such cancellation and extinguishment, the share capital of the Target will be maintained by the issuance at par to the Offeror, credited as fully paid, of the aggregate number of Shares as is equal to the number of Scheme Shares cancelled. The reserve created in the Target's books of account as a result of the cancellation of the Scheme Shares will be applied in paying up in full at par the new Shares so issued, credited as fully paid, to the Offeror;
    - (iii) the Rollover Shares will not form part of the Scheme Shares and will not be cancelled and extinguished when the Scheme becomes effective, and accordingly, the Rollover Shareholders will remain as the Shareholders after the Scheme becomes effective. After the Scheme becomes effective, pursuant to the Rollover Agreement, the Rollover

Shares will be transferred to the Offeror in consideration for an aggregate of 921 shares to be issued by the Offeror to the Rollover Shareholders credited as fully paid at the Cancellation Price so that the Rollover Shareholders will retain their interest in the Group through the Offeror;

- (iv) upon completion of the transfers of the Rollover Shares as set out in Recital (A)(3)(c) above, the Target will become wholly-owned by the Offeror; and
- (v) the Target will make an application to the Stock Exchange for the withdrawal of the listing of the Shares on the Stock Exchange with effect immediately following the Effective Date,

and

- (4) the release of the Joint Announcement is in the Offeror's and the Target's absolute discretion, PROVIDED THAT all of the Rollover Shareholders' obligations under this Deed will lapse if the Scheme is not announced by 6.00 p.m. (Hong Kong Time) on the date falling one (1) month from the date of this Deed (or such other period as the Parties may agree in writing).
- (B) Subject to Recital (A)(1), and in consideration of the Offeror agreeing to implement the Proposal by way of the Scheme on terms to be set out in the Implementation Agreement, each of the Rollover Shareholders, jointly and severally, undertakes, agrees and represents to and with the Offeror certain indemnities and covenants in favour of the Offeror subject to the terms and conditions set out in this Deed.

**THIS DEED WITNESSES AND IT IS AGREED** as follows:

1. Subject to Recital (A)(1), and in consideration of the Offeror agreeing to implement the Proposal by way of the Scheme on terms to be set out in the Implementation Agreement, each of the Rollover Shareholders, jointly and severally, undertakes, agrees and represents to and with the Offeror in the following terms:
  - (a) as at the date of this Deed, each of the Rollover Shareholders is the beneficial owner of, and has all relevant authority to exercise, or to procure the exercise of, the voting rights in respect of his portion of the Rollover Shares;
  - (b) if applicable, each of the Rollover Shareholders will exercise, or procure the exercise of, the voting rights in respect of his portion of the Rollover Shares in favour of the Scheme and any other matter necessary or proposed to implement the Scheme at the Court Meeting and the EGM, except if any of the Rollover Shareholders are required to abstain from voting his portion of the Rollover Shares pursuant to the terms of the Scheme;
  - (c) as at the date and time for determining whether any person is entitled to vote at the Court Meeting, each of the Rollover Shareholders will be the beneficial owner of, and will have all relevant authority to exercise, or to procure the exercise of, the voting rights in respect of his portion of the Rollover Shares;
  - (d) from the date of this Deed, unless and until the Scheme lapses or is withdrawn, each of the Rollover Shareholders will not:

- (i) sell, transfer, charge, encumber, grant any option over or otherwise dispose of any of his portion of the Rollover Shares;
- (ii) accept any other offer in respect of his portion of the Rollover Shares (whether it is conditional or unconditional and irrespective of the means by which it is to be implemented); or
- (iii) vote in favour of any scheme of arrangement of the Target which is proposed in competition with the Scheme; or
- (iv) vote in favour of any resolution which would preclude, interfere with, frustrate or prejudice the Scheme; or
- (v) (other than pursuant to the Scheme) enter into any agreement or arrangement or incur any obligation or give any indication of intent that might impede, interfere with, frustrate, or prejudice the Scheme or restrict the Rollover Shareholders' exercise (or their ability to procure the exercise) of the voting rights and his participation in the Scheme, in respect of the Rollover Shares; or
- (vi) without the consent of the Offeror:
  - (A) directly or indirectly solicit any person other than the Offeror to make a Competing Proposal; and
  - (B) enter into any discussion with any third party who is considering making an offer and the Rollover Shareholders will immediately inform the Offeror of any approach by a third party which the Rollover Shareholders reasonably believe could lead to a Competing Proposal, and

PROVIDED THAT nothing in the foregoing shall prevent the Rollover Shareholders from responding to any unsolicited proposals from any person or entity to the extent such response is necessary to comply with (I) the directions, rulings, notices or orders of any relevant Authority; and (II) any other applicable laws, rules and regulations, in so far as they apply to the Rollover Shareholders; and

- (e) the Joint Announcement and the Scheme Document may incorporate a reference to the Rollover Shareholders in the context of this Deed and details of this Deed and, in accordance with the rules of the Takeovers Code, this Deed will be referred to and detailed in the Scheme Document and will be available for inspection on the websites of the Target and the Securities and Futures Commission of Hong Kong during the period from the date of publication of the Scheme Document up to the Effective Date and the date on which the Scheme is withdrawn or lapses (whichever is earlier);
- (f) the Rollover Shareholders will supply to the Offeror for inclusion in the Scheme Document such details of their interests in securities of the Target as may be reasonably requested by the Offeror; and
- (g) to the extent that his portion of the Rollovers Shares are not registered in their name, the Rollover Shareholders will procure the relevant Members to act in accordance with the terms of this Deed.

## 2. Warranties

- (a) In consideration of the Offeror agreeing to implement the Proposal by way of the Scheme on terms to be set out in the Implementation Agreement, each of the Rollover Shareholders represents and warrants to the Offeror that except as fairly disclosed to the Offeror in the Disclosure, the Warranties are true and accurate and not misleading as at the date of this Deed and as at the Effective Date.
- (b) Any Warranty qualified by the expression “so far as each of the Rollover Shareholders are 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 Rollover Shareholders or such knowledge he would have had after making due and careful inquiries as a director of the Target.
- (c) Each of the Warranties shall be separate and independent and shall not be limited by reference to any other Warranty or other provisions of this Deed. The Offeror shall have a separate right of action in respect of every breach of the Warranties, and such right shall continue in full force and effect even after the Effective Date.
- (d) The Warranties are subject only to those matters in the Disclosure.
- (e) Each of the Rollover Shareholders jointly and severally undertakes between the date of this Deed and the Effective Date, to notify the Offeror in writing promptly of anything of which they become aware which renders or is reasonably likely to render any of the Warranties untrue, inaccurate or misleading. The Offeror shall be entitled to claim that any of the Warranties is or was untrue, inaccurate or misleading even if the Offeror knew or could have discovered on or before the Effective Date that the Warranty in question was untrue, inaccurate or misleading. The Warranties and all other provisions of this Deed, insofar as the same shall not have been performed at the Effective Date, shall not in any respect be extinguished or affected by the Scheme becoming effective, or by any other event or matter whatsoever, except by a specific and duly authorised written waiver or release by the Offeror.

## 3. Indemnities. On and after the Effective Date, each of the Rollover Shareholders hereby agrees and undertakes to, jointly and severally, indemnify, defend and hold harmless the Offeror at all times hereafter and to keep the same fully indemnified on demand and hold the Offeror harmless from and against all Losses incurred or suffered, or reasonably likely to be incurred or suffered by the Offeror arising out of, arising from or in connection with any of the following:

- (a) a material breach of any Warranties on or before the Effective Date; or
- (b) any Claim that (1) arose prior to the Effective Date but which may continue to be subsisting as at the Effective Date; or (2) arose after the Effective Date but relates to matters occurred prior to the Effective 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:
  - (i) the investigation, assessment or the contesting of any Claim;
  - (ii) the settlement of any Claim under this Deed;

- (iii) any legal proceedings in which any Group Company claims under or in respect of this Deed and in which judgment is given for any Group Company; or
  - (iv) the enforcement of any such settlement or judgment.
- 4. **Limitation of Liabilities.** None of the Rollover Shareholders shall be liable for a claim under this Deed unless each individual claim exceeds HK\$100,000 or its equivalent. Notwithstanding any other provision of this Deed, the provisions of Schedule 5 shall apply to impose limitations on the Rollover Shareholders' liability for any claims under this Deed. No liability shall attach to the Rollover Shareholders in respect of any claim to the extent that the claim relates to any matter in the Disclosure.
- 5. **Notice**
  - (a) Any notice or other communication in connection with this Deed (each, a **"Notice"**) shall be:
    - (i) in writing; and
    - (ii) delivered by hand, electronic mail or registered post.
  - (b) A Notice to the Offeror shall be sent to the following address, or such other address as the Offeror may notify to the other Parties from time to time:
 

Address: 27/F Alexandra House, 18 Chater Road, Central, Hong Kong

Attention: Mr. Yap Wee Keong

Email: weekeong.yap@mayairgroup.com
  - (c) A Notice to Mr. Ng shall be sent to the following address, or such address as Mr. Ng may notify to the other Parties from time to time:
 

Address: 2A, Jalan PJU 1A/36 Ara Damansara 47301 Petaling Jaya Selangor, Malaysia

Attention: Mr. Ng Yew Sum

Email: ysng@channelsystemsasia.com.my
  - (d) A Notice to Mr. Law shall be sent to the following address, or such address as Mr. Law may notify to the other Parties from time to time:
 

Address: A-15-06, Residensi KM1 Jalan Jalil Perkasa 1 Bukit Jalil 57000 Kuala Lumpur Malaysia

Attention: Mr. Law Eng Hock

Email: law@channelsystems.com.cn
  - (e) A Notice to Mr. Chin shall be sent to the following address, or such address as Mr. Chin may notify to the other Parties from time to time:

Address: 30, Jalan Tun Teja 35/12 Alam Impian 40470 Shah Alam, Selangor, Malaysia

Attention: Mr. Chin Sze Kee

Email: skchin@micronasia.com.my

- (f) A Notice to Mr. Luah shall be sent to the following address, or such address as Mr. Luah may notify to the other Parties from time to time:

Address: 24 Jalan Maya 3/5, Horizon Hill, 79100 Iskandar Puteri, Johor, Malaysia

Attention: Mr. Luah Kok Lam

Email: michaeluah@channelsystemsasia.com.my

- (g) A Notice shall be effective upon receipt and shall be deemed to have been received:

- (i) If delivered by hand or registered post, at the time of delivery; or
- (ii) if delivered by e-mail, at the time that it is received in the recipient's inbox.

6. The following additional provisions apply to this Deed:

- (a) all obligations under this Deed will lapse if:

- (i) the Joint Announcement is not released in accordance with Recital (A)(4);
- (ii) the Implementation Agreement is terminated in accordance with its terms, whether by reason of non-fulfilment of the Conditions as set out in the Joint Announcement under the section headed "Conditions of the Proposal" or otherwise;
- (iii) the Scheme lapses or is withdrawn,

PROVIDED THAT such lapse or termination shall be without prejudice to the rights or obligations of any Party accrued prior to such lapse or termination, or under any provision which is expressly stated not to be affected by such termination including in respect of any prior breach of this Deed;

- (b) if there is any breach of any of the Rollover Shareholders' obligations in this Deed, damages alone would not be an adequate remedy and that an order for specific performance would be an essential element of any adequate remedy for such failure or breach;
- (c) any time, date or period mentioned in this Deed may be extended by mutual agreement between the parties but as regards any time, date or period originally fixed or so extended time shall be of the essence;

- (d) references in this Deed to a person having an "interest in shares" include all interests which a person would be required to notify to the Target if he were a director of the Target;
- (e) this Deed shall bind the respective successors of the Rollover Shareholders;
- (f) if any one or more of the provisions contained in this Deed shall be invalid, illegal or unenforceable in any respect the validity, legality and enforceability of the remaining provisions of this Deed shall not in any way be affected or impaired thereby;
- (g) where a word or expression is defined, cognate words or expressions shall be construed accordingly as the context may require;
- (h) a person who is not a party to this letter has no rights under the Contracts (Rights of Third Parties) Ordinance (Cap 623) to enforce any term hereunder;
- (i) this Deed contains the entire obligations of the Rollover Shareholders with respect to the subject matter hereof and supersedes all prior promises, covenants, representations and communications by the Rollover Shareholders, whether written or oral, with respect to the subject matter hereof;
- (j) this Deed shall be governed by and construed in accordance with the laws of Hong Kong;
- (k) any dispute, controversy, difference, conflict or claim arising out of or relating to this Deed or its performance, including without any limitation any question regarding its existence, validity, breach or termination thereof, shall be settled by arbitration in Hong Kong at the Hong Kong International Arbitration Centre under the Hong Kong International Arbitration Centre Administered Arbitration Rules in force when the Notice of Arbitration is submitted in accordance with these Rules. The governing law of this arbitration agreement is the laws of Hong Kong. The seat of arbitration shall be Hong Kong. The number of arbitrator shall be one (1). The arbitration proceedings shall be conducted in the English language. The arbitral award shall be final and binding on the parties to the arbitration. The parties to the arbitration agree to be bound by and to act in accordance with the arbitral award. Unless otherwise specified in the arbitral award, the expenses of the arbitration (including witness fees and reasonable legal expenses) shall be borne by the losing party.

**SCHEDULE 1**  
**THE INDEMNIFIERS**

<b><u>Name</u></b>	<b><u>Address</u></b>	<b><u>No. of Rollover Shares</u></b>
<b>NG YEW SUM</b> (Holder of Malaysian passport no. A54703279)	2A, Jalan PJU 1A/36, Ara Damansara, 47301 Petaling Jaya, Selangor, Malaysia <b><u>Email:</u></b> ysng@channelsystemsasia.com.my	340,028,500
<b>LAW ENG HOCK</b> (Holder of Malaysian passport no. A54884191)	A-15-06, Residensi KM1, Jalan Jalil Perkasa 1, Bukit Jalil, 57000 Kuala Lumpur, Malaysia <b><u>Email:</u></b> law@channelsystems.com.cn	60,040,050
<b>CHIN SZE KEE</b> (Holder of Malaysian passport no. A54701995)	30, Jalan Tun Teja 35/12 Alam Impian, 40470 Shah Alam, Selangor, Malaysia <b><u>Email:</u></b> skchin@micronasia.com.my	37,091,850
<b>LUAH KOK LAM</b> (Holder of Malaysian passport no. A58717816)	24 Jalan Maya 3/5, Horizon Hill, 79100 Iskandar Puteri, Johor, Malaysia <b><u>Email:</u></b> ichaelluah@channelsystemsasia.com.my	5,366,100



## SCHEDULE 2

### DEFINITIONS

In this Deed and in the Schedules herein, the following definitions shall apply:

- “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.
- “Board”** : means the board of directors of the Company.
- “Business Day”** : means 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 Hong Kong, the PRC, the Cayman Islands and Malaysia.

- “Cancellation Price”** : means the cancellation price of HK\$0.25 per Scheme Share payable in cash by the Offeror to the Scheme Shareholders pursuant to the Scheme.
- “Claim”** : 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, Malaysia, Philippines and Hong Kong or any other revenue, customs, fiscal, statutory or governmental authority whatsoever or official in any of the PRC, Malaysia, the Philippines, Hong Kong or in any other part of the world whereby it appears that any members of the Group 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 members of the Group or where any of members of the Group is required to suffer the non-availability, loss, cancellation or reduction of a right to repayment of taxation; or
  - (ii) a claim for (a) breach of any of the Warranties; (b) any liabilities under this Deed; (c) (iii) any liabilities of the Group Companies before the Effective Date or relates to incidents occurred prior to the Effective Date but arose after the Effective Date; and/or (d) any liabilities under the Implementation Agreement (including but not limited to any breach of the Company’s Warranties (as defined in the Implementation Agreement)).
- “Companies Act”** : means the Companies Act (as revised) of the Cayman Islands.
- “Companies Ordinance”** : means the Companies Ordinance (Chapter 622 of the laws of Hong Kong).
- “Competing Proposal”** : means an offer or possible offer (in either case whether or not subject to pre-conditions) put forward by any third party which is not acting in concert with the Offeror in respect of, or for, the issued ordinary share capital of the Target:
- (a) the sale or possible sale of the whole or a substantial part of the assets or undertakings of the Group;
  - (b) any other transaction which would, if implemented, result in a change or *de facto* change of Control of the Target; or

- (c) any transaction proposed by the Target involving a return of capital or non-routine dividend or any other distribution to the Shareholders, other than approved by the Offeror and the means the executive director of the Corporate Finance Division of the Securities and Futures Commission of Hong Kong, or any delegate of such executive director,

in each case howsoever it is proposed that such offer, proposal or transaction be implemented (whether, without limitation, by way of scheme of arrangement, merger, business combination, dual listed company structure or otherwise).

- "Control"** : has the meaning given to it in the Takeovers Code.
- "Court Meeting"** : means a meeting of the Scheme Shareholders to be convened at the direction of the Grand Court at which the Scheme (with or without modification) will be voted upon, or any adjournment thereof.
- "Data Room"** : electronic data room maintained by Howse Williams on the ownCloud server containing documents up to 6:00 p.m. on 30 September 2024 at <https://filex.howsewilliams.com> under the name "Project Pitta".
- "Despatch Date"** : means the date of despatch of the Scheme Document.
- "Disclosure"** : the information properly and fairly disclosed in the Data Room, documents pursuant to requisition and follow-up lists, or otherwise provided to/by the Offeror 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 Target and the Offeror in writing and recorded on the USBs, and include any other lists of documents as may be further agreed between the Target and the Offeror in writing or by emails.
- "Effective Date"** : means the date on which the Scheme becomes effective in accordance with its terms and the Companies Act and which date will, in any event, be by no later than the Long Stop Date (or such other date as the Parties may agree in writing from time to time).
- "EGM"** : means the extraordinary general meeting of the Target to be convened for the purpose of considering and, if thought fit, approving the Resolutions and includes any adjournment thereof.
- "Encumbrance"** : means any lien, pledge, encumbrance, charge (fixed or floating), mortgage, third-party claim, debenture, option, right of pre-emption, right to acquire, assignment by way of security, trust arrangement for the purpose of providing

	security or other security interests of any kind securing any obligation of any person or any agreement or arrangement having a similar effect.
<b>"FY2023 Financial Statements"</b>	: means the consolidated audited financial statements of the Group for the financial year ended 31 December 2023.
<b>"FY2023 Financial Statements Date"</b>	: means 31 December 2023.
<b>"Grand Court"</b>	: means the Grand Court of the Cayman Islands.
<b>"Group"</b>	: means the Target, its subsidiaries and subsidiary undertakings, each of them is referred to herein as a <b>"Group Company"</b> and collectively as <b>"Group Companies"</b> and <b>"a member of the Group"</b> shall be construed accordingly.
<b>"HK\$"</b>	: means Hong Kong dollar, the lawful currency of Hong Kong.
<b>"Hong Kong"</b>	: means the Hong Kong Special Administrative Region of the PRC.
<b>"Implementation Agreement"</b>	: means the implementation agreement to be entered into between the Offeror and the Target in relation to the Scheme on or about the date of this deed.
<b>"Intellectual Property"</b>	: means: (a) patents, trademarks, service marks, registered designs, applications and rights to apply for any of those rights, trade, business and company names, internet domain names and e-mail addresses, unregistered trademarks and service marks, copyrights, database rights, rights in software, knowhow, rights in designs and inventions; and (b) rights under licences, consents, orders, statutes or otherwise in relation to a right in respect of (a).
<b>"Joint Announcement"</b>	: means the joint announcement to be made by the Offeror and the Target in relation to the Scheme.
<b>"Licences"</b>	: has the meaning given to it in paragraph 6.6(a) of Schedule 3.
<b>"Listing Rules"</b>	: means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.
<b>"Long Stop Date"</b>	: has the meaning given to it in the Joint Announcement.
<b>"Losses"</b>	: means any and all losses, liabilities, damages, claims, charges, costs and expenses, demands, interest, awards, judgments, penalties, fines and liens.

<b>"Material Adverse Effect"</b>	: means an event or events, whether individually or in aggregate, occurring from the date of this Deed 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 Deed 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 Offeror to consummate timely the transactions contemplated in this Deed or the Proposal.
<b>"Material Contract"</b>	: 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.
<b>"Meetings"</b>	: means the Court Meeting and the EGM.
<b>"Members"</b>	: means all members of the Target.
<b>"Notice"</b>	: has the meaning given to it in Clause 4(a).
<b>"Mr. Chin"</b>	: Mr. Chin Sze Kee, an executive Director
<b>"Mr. Law"</b>	: Mr. Law Eng Hock, an executive Director
<b>"Mr. Luah"</b>	: Mr. Luah Kok Lam, the assistant general manager of the Group
<b>"Mr. Ng"</b>	: Mr. Ng Yew Sum, an executive Director
<b>"Parties"</b>	: means the named parties to this Deed and "Party" means any one of them.
<b>"Person"</b>	: 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.
<b>"Policies"</b>	: has the meaning given to it in paragraph 12.3(a) of Schedule 3.
<b>"PRC"</b>	: means the People's Republic of China (for the purpose of this Agreement, excluding Hong Kong, the Macao Special Administrative Region of the People's Republic of China and Taiwan).

<b>"Properties"</b>	: 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.
<b>"Proposal"</b>	: means the proposal for the privatisation of the Target by the Offeror to be effected by way of the Scheme.
<b>"Reduction"</b>	: means the proposed reduction (if any) of the issued share capital of the Target as a result of the Scheme under the Companies Act.
<b>"Related Persons"</b>	: 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 25% of the voting interests of such Person or entity.
<b>"Relief"</b>	: 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;
<b>"Resolutions"</b>	: means such resolutions as are necessary to give effect to the Reduction, the Share Issuance, to implement the Scheme, the Rollover Arrangement and/or otherwise necessary for the Scheme to become effective.
<b>"RMB"</b>	: Renminbi, the lawful currency of the PRC.
<b>"Rollover Agreement"</b>	: the rollover agreement entered into between the Offeror and the Rollover Shareholders dated 14 October 2024.
<b>"Rollover Arrangement"</b>	: the arrangement between the Offeror and the Rollover Shareholders under the Rollover Agreement.
<b>"Rollover Share(s)"</b>	: the 442,526,550 existing Shares (representing approximately 31.61% of the issued share capital of the Target as at the date of the Joint Announcement) held by the Rollover Shareholders, the number of Rollover Shares held by each of the Rollover Shareholders is specified in Schedule 1.
<b>"Rollover Shareholders"</b>	: Mr. Ng, Mr. Law and Mr. Chin, being the Executive Directors of the Company and Mr. Luah, the assistant general manager of the Group.

<b>“Scheme”</b>	: means a scheme of arrangement under section 86 of the Companies Act for the implementation of the Proposal, with or subject to any modification, addition or condition approved or imposed by the Grand Court and agreed by the Target and the Offeror.
<b>“Scheme Document”</b>	: means the composite scheme document (which shall contain, among other things, further details of the Proposal and the Target's Board circular, including an explanatory statement) required under the Applicable Laws, the accompanying proxy forms, and notices of the Meetings, to be despatched by the Offeror and the Target to all Scheme Shareholders on the Despatch Date as required by the Takeovers Code, as may be amended or supplemented from time to time.
<b>“Scheme Share(s)”</b>	: Share(s) held by the Shareholders, other than the Rollover Shares.
<b>“Scheme Shareholder(s)”</b>	: has the meaning given to it in the Joint Announcement.
<b>“Share Option Scheme”</b>	: means the post-IPO share option scheme of the Company adopted by Shareholders' resolutions on 3 September 2020.
<b>“Shareholders”</b>	: means a person entered in the register of members of the Target as holder from time to time of the Shares.
<b>“Share Issuance”</b>	: means contemporaneously with the Reduction, the maintenance of the issued share capital of the Target at the amount prior to the Reduction by applying the reserve created as a result of the Reduction to pay up in full at par such number of new Shares as is equal to the number of Shares being cancelled as a result of the Scheme, credited as fully paid, for issuance to the Offeror.
<b>“Shares”</b>	: the ordinary shares of HK\$0.01 each in the share capital of the Target.
<b>“Stock Exchange”</b>	: means The Stock Exchange of Hong Kong Limited.
<b>“Takeovers Code”</b>	: means, at any relevant time, the Hong Kong Code on Takeovers and Mergers in force at that time.
<b>“Target”</b>	: means CM Hi-Tech Cleanroom Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 2115).
<b>“Taxation” or “Taxes”</b>	: 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.

**“Transaction”**

: has the meaning given to it in Recital (A)(1).

**“Warranties”**

: means the representations and warranties given by each of the Rollover Shareholders in accordance with Clause 2 and as set out in Schedule 3 and **“Warranty”** shall be construed accordingly.



## **SCHEDULE 3**

### **WARRANTIES**

The Rollover Shareholders Warranties are subject to matters in the Disclosure.

#### **1. Capacity and Authority**

- 1.1 Each of the Rollover Shareholders has the capacity to enter into, perform and deliver this Deed and has taken all necessary action to authorise their respective entry into, performance and delivery of this Deed.
- 1.2 This Deed when executed by each of the Rollover Shareholders will constitute valid, legal and binding obligations enforceable against each of them in accordance with its terms.
- 1.3 The execution and delivery of this Deed by each of the Rollover Shareholders will not result in a breach of:
  - (a) any agreement, instrument or document to which it is a party or by which any of its assets are bound; or
  - (b) any order, judgment or decree of any court, governmental agency or regulatory body having jurisdiction over it.
- 1.4 No action, claim, demand, appeal, litigation, arbitration or dispute resolution proceeding, or any disciplinary or enforcement proceeding, in any jurisdiction, before or of any court, judicial, administrative or Authority, arbitrator(s) or other body is taking place, pending or threatened against each of the Rollover Shareholders or against any of their respective assets which might have a material adverse effect on his business, assets, condition or operations taken as a whole, or might adversely affect its ability duly and punctually to perform and observe all its obligations hereunder (as the case may be).

#### **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 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, performance nor the implementation and completion of the Proposal and the Scheme will result in or constitute:
  - (a) a violation or breach by the Target or a member of the Group of any Applicable Laws;
  - (b) a breach by the Target or a member of the Group of the terms of its constitutional documents or bye-laws; or
  - (c) a breach by the Target or, to the best of the knowledge of the Rollover

Shareholders, a member of the Group of any Material Contract, undertaking, commitment, agreement or instrument to which the Target 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 Target's Warranty if any necessary consents or waivers will have been obtained from relevant third parties before the Effective Date.

- 2.3 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.
- 2.4 Save as set out in Schedule 4 of this Deed, 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.
- 2.5 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.
- 2.6 Save as set out in Schedule 4 of this Deed, 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 Target in issue as at the date of this Deed comprise 1,400,000,000 Shares (which are fully paid up and rank *pari passu* with each other) and, save for the aforesaid, the Target has no other relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) as at the date of this Deed.
- 3.2 The Target 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 as set out in or annexed hereto as Schedule 4 of this Deed) and there are no Encumbrances on the shares or (as the case may be) authorised capital of any member of the Group (other than as set out in or annexed hereto as Schedule 4 of this Deed), 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 the Implementation 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 Deed:

- (a) there are no unexercised options and no obligation to grant any options to any employees of the Group;
- (b) no share options have been granted since the adoption of the Share Option Scheme;
- (c) 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 Rollover Shareholders 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 Rollover Shareholders 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 Rollover Shareholders 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 Rollover Shareholders 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 Rollover Shareholders 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 Rollover Shareholders is aware, there is and has been since the Target 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 Rollover Shareholders 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 Rollover Shareholders 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 Rollover Shareholders 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 Rollover Shareholders 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 Rollover Shareholders 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**
- (a) All statutory, municipal and other licences, consents, authorisations, orders, warrants, confirmations, permissions, certificates, approvals and authorities ("**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.

- (b) There is no investigation, enquiry or proceeding outstanding which is likely to result in the suspension, cancellation, modification or revocation of any of Group's Licenses. So far as each of the Rollover Shareholders 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 the Implementation Agreement, consummating the Transaction, implementing the Scheme or otherwise).

## **7. Connected Transactions**

- 7.1 Except as disclosed in any announcement or circular of the Target, 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 Person:
  - (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 Deed and all other information which has been given in writing by or on behalf of any member of the Group to the Offeror 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 Offeror prior to entering into this Deed was when given, so far as each of the Rollover Shareholders is aware, true, complete, accurate and not misleading, and as at the date of this Deed, each of the Rollover Shareholders 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 Offeror for the purposes of informing the Offeror about the Group and its assets and the Target have been prepared in good faith by the Target and its agents, directors, officers, representatives and advisers, after reasonable enquiry, and the Target 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**

- (a) 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.
- (b) The FY2023 Financial Statements give a true and fair view of the consolidated financial position of the Group at 31 December 2023, 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:

- (a) 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;
- (b) 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;
- (c) 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;
- (d) 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;
- (e) it has not entered into any unusual, long term and onerous commitments and contracts; and
- (f) 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:

- (a) liabilities publicly disclosed and to the extent provided for in the FY2023 Financial Statements or otherwise publicly announced by the Target on the Stock Exchange thereafter;
- (b) liabilities disclosed elsewhere in the Implementation Agreement; or
- (c) 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**

- (a) No member of the Group is, or has been, a party to any contract or transaction with a third party which:
  - (i) is outside the ordinary and usual course of business;
  - (ii) is not wholly on an arm's length basis; or
  - (iii) is of a loss-making nature that would have a Material Adverse Effect.
- (b) Except in the ordinary and usual course of business, no member of the Group:
  - (i) 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;
  - (ii) is, or has agreed to become, a member of any joint venture, consortium, partnership or other unincorporated association; or
  - (iii) 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.

### **10.2 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 Rollover Shareholders 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.

### **10.3 Customers and Suppliers**

So far as each of the Rollover Shareholders 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 Deed, 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**

- (a) So far as each of the Rollover Shareholders 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 (i) have been made, given or delivered within the requisite periods or within permitted extensions of such periods; (ii) are up-to-date, complete and accurate in all material respects and made on a proper basis; and (iii) none of them is the subject of any dispute with the Taxation authority.
- (b) So far as each of the Rollover Shareholders 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**

- (a) So far as each of the Rollover Shareholders are aware, all the tax incentives and preferential tax treatment enjoyed by the Group as at the date of this Deed will not be affected, varied, withdrawn or revoked as a result of the Transaction or the implementation of the Scheme. So far as each of the Rollover Shareholders are aware, 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.
- (b) So far as each of the Rollover Shareholders 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 Rollover Shareholders are aware, no single Claim for Taxation has been made:

- (a) in respect of or arising from any transaction effected or deemed to have been effected on or before the Effective Date; or
- (b) 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 Target 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 Rollover Shareholders are aware, there is no investigation by any Taxation Authority in process or, as far as each of the Rollover Shareholders 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**

- (a) 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.
- (b) 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.
- (c) 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**

- (a) 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.
- (b) The Properties are not, and no part thereof is, affected by any of the following matters or (so far as each of the Rollover Shareholders is aware) is likely to become so affected:
  - (i) 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

- (ii) 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

- (a) 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.
- (b) In respect of all Policies, all premiums have been duly paid to date.
- (c) No claims have been made or are outstanding in respect of, and as far as each of the Rollover Shareholders is aware, no fact or circumstance exists which might give rise to a claim under, any of the Policies.
- (d) 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:

- (a) 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;
- (b) all collective agreements and customs and practices for the time being dealing with such relations or the conditions of service of its employees; and
- (c) 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:

- (a) 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
- (b) 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 Deed, no litigation, arbitration or administrative proceeding is current or pending or, so far as each of the Rollover Shareholders is aware, threatened, to restrain the entry into, exercise of the Target's rights under and/or performance or enforcement of or compliance with its obligations under the Implementation Agreement.
- 15.2 As at the date of this Deed, no litigation, arbitration or administrative proceeding is current or pending or, so far as each of the Rollover Shareholders 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 Deed, 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

### CORPORATE INFORMATION OF THE GROUP

(a) **CM Hi-Tech Cleanroom Limited**

<b>Company name</b>	CM Hi-Tech Cleanroom Limited 捷芯隆高科潔淨系統有限公司 (formerly known as Channel Micron Holdings Company Limited 捷心隆控股有限公司)		
<b>Company number</b>	352413		
<b>Place of incorporation</b>	Cayman Islands		
<b>Incorporation date</b>	11 June 2019		
<b>Listing date on the Main Board of the Stock Exchange</b>	15 October 2020		
<b>Stock Code</b>	2115		
<b>Issued share capital</b>	1,400,000,000 ordinary shares of HK\$0.01 each		
<b>Principal activities</b>	Provision of cleanroom wall and ceiling systems and cleanroom equipment in the PRC and Malaysia.		
<b>Controlling shareholders (who are acting in concert)</b>	<b>Name</b>	<b>Number of shares held</b>	<b>% of shareholding (Approx.)</b>
	<b>Executive Directors</b>		
	Ng Yew Sum	340,028,550	24.29
	Law Eng Hock	60,040,050	4.29
	Chin Sze Kee	37,091,850	2.65
	<b>Sub-total</b>	<b>437,160,450</b>	<b>31.23</b>
	<b>Other shareholders</b>		
	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
	<b>Sub-total</b>	<b>331,315,150</b>	<b>23.66</b>
	<b>Total</b>	<b>773,841,700</b>	<b>55.27</b>
<b>Other shareholders</b>	<b>Name</b>	<b>Number of shares held</b>	<b>% of shareholding (Approx.)</b>
	Luah Kok Lam	5,366,100	0.38

	Douglas Frederick Bockmiller and Lauren Lindquist Bockmiller	186,027,100	13.29
<b>Share option scheme</b>	<p>The Target has conditionally adopted the share option scheme on 3 September 2020 (the “<b>Share Option Scheme</b>”). The purpose of the Share Option Scheme is to enable the Target and its subsidiaries to grant options to selected participants as incentives or rewards for their contribution to the Target and its subsidiaries.</p> <p>Since the adoption of the Share Option Scheme, no share options have been granted, exercised, lapsed or cancelled by the Target under the Share Option Scheme. As of the date of 2024 interim report of the Target published on 19 September 2024, 140,000,000 Shares are available for issue under the Share Option Scheme.</p>		
<b>Share award scheme</b>	N/A		
<b>Directors</b>	<p>Executive Directors:</p> <p>Mr. Ng Yew Sum Mr. Chin Sze Kee Mr. Law Eng Hock</p> <p>Independent non-executive Directors:</p> <p>Mr. Ng Seng Leong Mr. Martin Giles Manen Mr. Wu Chun Sing</p>		
<b>Company secretary</b>	Ms. Chan Sze Ting		
<b>Auditors</b>	Grant Thornton Hong Kong Limited		
<b>Financial year end</b>	31 December		
<b>Registered office</b>	Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands		
<b>Principal Place of business</b>	<ul style="list-style-type: none"> <li>Malaysia: Lot P.T. 14274, Jalan SU8, Persiaran Tengku Ampuan, 40400 Shah Alam, Selangor Darul Ehsan, Malaysia</li> <li>Hong Kong: 5/F, Manulife Place 348 Kwun Tong Road Kowloon, Hong Kong</li> </ul>		
<b>Share registrar</b>	<ul style="list-style-type: none"> <li>Cayman Islands: Conyers Trust Company (Cayman) Limited</li> <li>Hong Kong: Tricor Investor Services Limited</li> </ul>		
<b>Board lots</b>	10,000		
<b>Subsidiaries</b>	<ol style="list-style-type: none"> <li>Channel Micron International Limited - incorporated in BVI (100%)</li> <li>Channel Systems Asia Sdn. Bhd. - incorporated in Malaysia (100%)</li> </ol>		

	3. Channel Systems International Limited (捷能系统国际有限公司) - incorporated in Hong Kong (100%)
	4. Channel Systems (Shanghai) Co. Ltd.* (捷能系统建材 (上海) 有限公司) - incorporated in the PRC (100%)
	5. CSA Technic Sdn. Bhd. - incorporated in Malaysia (100%)
	6. Max Micron Precision Sdn. Bhd. - incorporated in Malaysia (100%)
	7. Micron Cleanroom (Philippines), Inc. - incorporated in Philippines (99.95%)
	8. Micron (M) Sdn. Bhd - incorporated in Malaysia (100%)
	9. Micron Technology (M) Sdn. Bhd. - incorporated in Malaysia (100%)
	10. Channel CR Material (Shanghai) Co. Ltd.* (捷能新型建材 (上海) 有限公司) - incorporated in the PRC (100%)

(b) **Channel Micron International Limited**

<b>Company name</b>	Channel Micron International Limited		
<b>Company number</b>	2015147		
<b>Place of incorporation</b>	BVI		
<b>Incorporation date</b>	12 June 2019		
<b>Registered office</b>	Commerce House, Wickhams Cay 1, P.O. Box 3140, Road Town, Tortola, VG1110, BVI		
<b>Company type</b>	Private company limited by shares		
<b>Registered/Issued and fully paid up capital</b>	HK\$4 divided into 4 ordinary shares of HK\$1 per each		
<b>Registered shareholders</b>	<b>Name</b>	<b>Number of shares held</b>	<b>% of shareholding (Approx.)</b>
	CM Hi-Tech Cleanroom Limited	4	100.0
	<b>Total</b>	<b>4</b>	<b>100.0</b>
<b>Directors</b>	Ng Yew Sum Law eng Hock Chia Francis Mong Tet Chin Sze Kee		
<b>Company secretary</b>	Conyers Trust Company (BVI) Limited		
<b>Registered charge</b>	NIL		
<b>Minimum/maximum number of members</b>	Minimum: 1 Maximum: 50		

<b>Functions</b>	Investment holding
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(c) **Channel Systems Asia Sdn. Bhd.**

<b>Company name</b>	Channel Systems Asia Sdn. Bhd.		
<b>Company registration number</b>	479759-P		
<b>Place of incorporation</b>	Malaysia		
<b>Incorporation date</b>	25 March 1999		
<b>Registered office</b>	38, Tingkat 2, Jalan Dato Bandar Tunggal, Seremban, Negeri Sembilan, Malaysia		
<b>Company type</b>	Private company limited by shares		
<b>Registered/Issued and fully paid up capital</b>	RM5,000,000 divided into 5,000,000 ordinary shares		
<b>Registered shareholders</b>	<b>Name</b>	<b>Number of shares held</b>	<b>% of shareholding (Approx.)</b>
	Channel Micron International Limited	5,000,000	100.0
	<b>Total</b>	<b>5,000,000</b>	<b>100.0</b>
<b>Directors</b>	Mr. Ng Yew Sum Mr. Peter Wayne Borris Mr. Douglas Frederick Bockmiller Mr. Francis Chia Mong Tet		
<b>Company secretary</b>	Mr. Chua Heng Fatt Mr. Wong Youn Kim		
<b>Registered charge</b>	All monies legal charge that was registered on 29 October 2021, with Alliance Bank Malaysia Berhad as the chargee.		
<b>Minimum/maximum number of members</b>	Minimum: 1 Maximum: 50		
<b>Functions</b>	Design, manufacture and marketing of cleanroom walls and component parts for cleanroom facilities and high technology plants		

(d) **Channel Systems International Limited (捷能系統國際有限公司)**

<b>Company name</b>	Channel Systems International Limited (捷能系統國際有限公司)
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<b>Business registration number</b>	70866373		
<b>Place of incorporation</b>	Hong Kong		
<b>Incorporation date</b>	21 June 2019		
<b>Registered office</b>	6th Floor, Alexandra House, 18 Chater Road, Central, Hong Kong		
<b>Company type</b>	Private company limited by shares		
<b>Registered/Issued and fully paid up capital</b>	HK\$49,852,701.10 comprising 2 shares		
<b>Registered shareholders</b>	<b>Name</b>	<b>Number of shares held</b>	<b>% of shareholding (Approx.)</b>
	Channel Micron International Limited	2	100.0
	<b>Total</b>	<b>2</b>	<b>100.0</b>
<b>Directors</b>	Mr. Ng Yew Sum Mr. Francis Chia Mong Tet		
<b>Company secretary</b>	Consec Services Limited		
<b>Registered charge</b>	None		
<b>Minimum/maximum number of members</b>	Minimum: 1 Maximum: 50		
<b>Functions</b>	Investment holding		

**(e) Channel Systems (Shanghai) Co. Ltd.\* (捷能系統建材（上海）有限公司)**

<b>Company name</b>	捷能系統建材（上海）有限公司
<b>Unified Social Credit Identifier</b>	913101157585697270
<b>Place of incorporation</b>	The PRC
<b>Incorporation date</b>	18 February 2004
<b>Registered office</b>	No. 1 Factory Building, Zone B, No.6999 Chuansha Road, Pudong New Area, Shanghai, The PRC 上海市浦东新区川沙路6999号B区1号厂房
<b>Company type</b>	Private company with limited liability



<b>Registered/Issued and fully paid up capital</b>	USD3,850,000		
<b>Registered shareholders</b>	<b>Name</b>	<b>Registered capital (USD)</b>	<b>% of shareholding (Approx.)</b>
	Channel Systems International Limited	3,850,000	100.0
	<b>Total</b>	<b>3,850,000</b>	<b>100.0</b>
<b>Directors</b>	Ng Yew Sum Peter Wayne Borris Francis Chia Mong Tet Doughlas Frederick Bockmiller		
<b>Supervisor</b>	Hartono Liu Chan Ong		
<b>Company secretary</b>	-		
<b>Registered charge</b>	None		
<b>Minimum/maximum number of members</b>	Minimum: 1 Maximum: 50		
<b>Functions</b>	Production and sale of building materials for cleanroom walls and ceiling system doors, windows and lighting equipment, and provide related after-sales service		

(f) **CSA Technic Sdn. Bhd.**

<b>Company name</b>	CSA Technic Sdn. Bhd.		
<b>Company registration number</b>	1156549-H		
<b>Place of incorporation</b>	Malaysia		
<b>Incorporation date</b>	24 August 2015		
<b>Registered office</b>	38 Tingkat 2, Jalan Dato Bandar Tunggal, Seremban, Negeri Sembilan, Malaysia		
<b>Company type</b>	Private company limited by shares		
<b>Registered/Issued and fully paid up capital</b>	RM1,200,000 divided into 1,200,000 ordinary shares		
<b>Registered shareholders</b>	<b>Name</b>	<b>Number of shares held</b>	<b>% of shareholding (Approx.)</b>
	Channel Systems Asia Sdn. Bhd.	1,200,000	100.0
	<b>Total</b>	<b>1,200,000</b>	<b>100.0</b>

<b>Directors</b>	Mr. Ng Yew Sum Mr. Peter Wayne Borris Mr. Douglas Frederick Bockmiller Mr. Hee Kok Hiong		
<b>Company secretary</b>	Mr. Chua Heng Fatt Ms. Wong Youn Kim		
<b>Registered charge</b>	None		
<b>Minimum/maximum number of members</b>	Minimum: 1 Maximum: 50		
<b>Functions</b>	Trading of cleanroom walls and ceiling systems and component parts for cleanroom facilities and high technology plants		

(g) **Max Micron Precision Sdn. Bhd.**

<b>Company name</b>	Max Micron Precision Sdn. Bhd.		
<b>Company registration number</b>	1009903-D		
<b>Place of incorporation</b>	Malaysia		
<b>Incorporation date</b>	13 July 2012		
<b>Registered office</b>	38 Tingkat 2, Jalan Dato Bandar Tunggal, Seremban, Negeri Sembilan, Malaysia		
<b>Company type</b>	Private company limited by shares		
<b>Registered/Issued and fully paid up capital</b>	RM300,000 divided into 300,000 ordinary shares		
<b>Registered shareholders</b>		<b>Number of shares held</b>	<b>% of shareholding (Approx.)</b>
	<b>Name</b>		
	Micron (M) Sdn. Bhd.	300,000	100.0
	<b>Total</b>	<b>300,000</b>	<b>100.0</b>
<b>Directors</b>	Mr. Ng Yew Sum Mr. Chin Sze Kee		
<b>Company secretary</b>	Mr. Chua Heng Fatt Mr. Wong Youn Kim		
<b>Registered charge</b>	None		
<b>Minimum/maximum number of members</b>	Minimum: 1 Maximum: 50		

<b>Functions</b>	Dormant
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(h) **Micron Cleanroom (Philippines), Inc.**

<b>Company name</b>	Micron Cleanroom (Philippines), Inc.		
<b>Company Registration number</b>	CS200901941		
<b>Place of incorporation</b>	Philippines		
<b>Incorporation date</b>	12 February 2009		
<b>Registered office</b>	Unit 906, Page 1 Building, Acacia Ave, Madrigal Business Park, Ayala Alabang, Muntinlupa City		
<b>Company type</b>	Private company limited by shares		
<b>Registered/Issued and fully paid up capital</b>	PHP9,490,000 divided into 9,490,000 ordinary shares		
<b>Registered shareholders</b>	<b>Name</b>	<b>Number of shares held</b>	<b>% of shareholding (Approx.)</b>
	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
	<b>Total</b>	<b>9,490,000</b>	<b>100.0</b>
<b>Directors</b>	Mr. Ng Yew Sum Mr. Francis Chia Mong Tet Mr. Chin Sze Kee Mr. Ng Jun Jie Mr. Florentino Philip A. Pineda		
<b>Company secretary</b>	Mr. Florentino Philip A. Pineda		
<b>Registered charge</b>	NIL		
<b>Minimum/maximum number of members</b>	Minimum: 2 Maximum: 15		
<b>Functions</b>	Manufacture and trading of cleanroom equipment and design and installation of cleanrooms for commercial and industrial use		

(i) **Micron (M) Sdn. Bhd**

<b>Company name</b>	Micron (M) Sdn. Bhd
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<b>Company registration number</b>	183307-X		
<b>Place of incorporation</b>	Malaysia		
<b>Incorporation date</b>	19 June 1989		
<b>Registered office</b>	38 Tingkat 2, Jalan Dato Bandar Tunggal, Seremban, Negeri Sembilan, Malaysia		
<b>Company type</b>	Private company limited by shares		
<b>Registered/Issued and fully paid up capital</b>	RM568,000 divided into 568,000 ordinary shares		
<b>Registered shareholders</b>	<b>Name</b>	<b>Number of shares held</b>	<b>% of shareholding (Approx.)</b>
	Channel Micron International Limited	568,000	100.0
	<b>Total</b>	<b>568,000</b>	<b>100.0</b>
<b>Directors</b>	Mr. Ng Yew Sum Mr. Francis Chia Mong Tet Mr. Chin Sze Kee		
<b>Company secretary</b>	Mr. Chua Heng Fatt Ms. Wong Youn Kim		
<b>Registered charge</b>	1. Against the fixed deposit receipts and letter of setoff, registered on 20 November 1993, with Public Bank Berhad as the chargee. Amount of indebtedness is RM100,000 2. Facilities agreement & registered all open monies first party charge, registered on 25 September 2018, with Public Bank Berhad as the chargee. 3. Letter of setoff, registered on 18 January 2019, with Public Bank Berhad as the chargee.		
<b>Minimum/maximum number of members</b>	Minimum: 1 Maximum: 50		
<b>Functions</b>	Cleanroom design and engineering works, trading and installation of cleanroom equipment, component and parts and air filtration system		

(j) **Micron Technology (M) Sdn. Bhd.**

<b>Company name</b>	Micron Technology (M) Sdn. Bhd.
<b>Company registration number</b>	360844-W

Place of incorporation	Malaysia		
Incorporation date	25 September 1995		
Registered office	38 Tingkat 2, Jalan Dato Bandar Tunggal, Seremban, Negeri Sembilan, Malaysia		
Company type	Private company limited by shares		
Registered/Issued and fully paid up capital	RM1,650,000 divided into 1,650,000 ordinary shares		
Registered shareholders			% of
	Name	Number of shares held	shareholding (Approx.)
	Micron (M) Sdn Bhd	1,650,000	100.0
	Total	1,650,000	100.0
Directors	Mr. Ng Yew Sum Mr. Chin Sze Kee		
Company secretary	Mr. Chua Heng Fatt Ms. Wong Youn Kim		
Registered charge	(a) A memorandum of deposit of fixed deposit certificate and / or mudharabah investment account certificate and / or negotiable certificate of deposit (first party); and (b) Letter of Setoff (first party), registered on 7 July 2023, with Maybank Islamic Berhad as the chargee.		
Minimum/maximum number of members	Minimum: 1 Maximum: 50		
Functions	Design and manufacture of fan filters and other equipment for cleanroom facilities and high-technology plant		

**(k) Channel CR Material (Shanghai) Co. Ltd.\* (捷能新型建材（上海）有限公司)**

<b>Company name</b>	捷能新型建材（上海）有限公司
<b>Unified Social Credit Identifier</b>	91310115MA1H92YB57
<b>Place of incorporation</b>	The PRC
<b>Incorporation date</b>	20 June 2017
<b>Registered office</b>	Room 101, 1 <sup>st</sup> 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

<b>Company type</b>	Private company with limited liability		
<b>Registered/Issued and fully paid up capital</b>	RMB2,000,000		
<b>Registered shareholders</b>	<b>Name</b>	<b>Registered capital (RMB)</b>	<b>% of shareholding (Approx.)</b>
	Channel Systems (Shanghai)	2,000,000	100.0
	<b>Total</b>	<b>2,000,000</b>	<b>100.0</b>
<b>Directors</b>	Law Eng Hock Douglas Frederick Bockmiller Ng Yew Sum Francis Chia Mong Tet Peter Wayne Borris		
<b>Supervisor</b>	Hartono Liu Chan Ong		
<b>Company secretary</b>	-		
<b>Registered charge</b>	None		
<b>Minimum/maximum number of members</b>	Minimum: 1 Maximum: 50		
<b>Functions</b>	Installation and wholesale of building materials for cleanroom walls and ceiling systems doors, windows and lighting equipment, and provide related after-sales service		

## **SCHEDULE 5**

### **LIMITATION OF LIABILITY**

The provisions of this Schedule 5 shall operate to limit the liability of each of the Rollover Shareholders in respect of any Claim under this Deed.

**1. Joint and several liability of the Rollover Shareholders**

The Parties hereby agree that each of the Rollover Shareholders shall be jointly and severally liable for any Claims under, arising out of or in connection with Clause 3 of this Deed and/or a breach of the Warranties set out in paragraphs 2 to 15 of Schedule 3, whenever and on whatever basis made. No liability shall attach to the Rollover Shareholders in respect of any claim to the extent that the claim relates to any matter in the Disclosure.

**2. Maximum total liability of the Rollover Shareholders**

The maximum aggregate liability of the Rollover Shareholders (in aggregate) in respect of all Claims under, arising out of or in connection with a Claim under this Deed, whenever and on whatever basis made, shall be an amount of HK\$25 million.

**3. Time limit for Claims under this Deed**

Each of the Rollover Shareholders shall be under no liability in respect of any Claim under this Deed unless written notice of such Claim setting out details of the relevant Claim under this Deed (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 Rollover Shareholders not later than 5.00 p.m. on the third anniversary of the Effective Date.

**4. No double recovery and sequence of claims**

**4.1** Each of the Rollover Shareholders will not be liable in respect of a Claim under this Deed to the extent that:

- (a) the loss that is the subject of such Claim under this Deed has already been fully recovered in respect of any other Claim under this Deed 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 under this Deed shall be made in the following order of priority:

- (a) first, against any subsisting insurance policies of the Target and/or its subsidiaries;
- (b) second, by the payment of cash by the Rollover Shareholders to the Offeror upon demand;

- (c) third, where the Claim under this Deed cannot be satisfied in the manner set out in paragraph 4.2(b) above in full, the Rollover Shareholders shall waive and the Offeror shall be entitled to set-off and deduct any unsatisfied portion of the Claim under this Deed from any amounts due to the Rollover Shareholders from the Offeror;
- (d) fourth, where the Claim under this Deed cannot be satisfied in full in the manner set out in paragraph 4.2(b) and 4.2(c) above, the unsatisfied portion of the Claim under this Deed shall be set-off and deducted from any amounts payable by the Offeror and/or MayAir Technology (China) Co., Ltd. and/or its Affiliates to the Rollover Shareholders.

#### **5. Matters for which the Rollover Shareholders are not liable**

Each of the Rollover Shareholders shall not be liable for any Claim under this Deed which would not have arisen but for:

- (a) any act, omission or transaction carried out before the Scheme becomes effective by any of the Rollover Shareholders at the written direction or with the written approval of the Offeror;
- (b) any act, omission or transaction of the Offeror after the Scheme becomes effective, PROVIDED THAT the Rollover Shareholders 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 Warranty under this Deed which is capable of remedy shall not entitle the Offeror to compensation unless the Rollover Shareholders are given written notice of the breach by Offeror and such breach (if capable of remedy) is not remedied to the Offeror's satisfaction, in its sole and absolute discretion, within 15 Business Days after the date on which such notice is served on the Rollover Shareholders subject to the extension at the sole discretion of the Offeror.

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

#### **7. Fraud**

None of the limitations contained in this Schedule 5 shall apply to any Claim under this Deed 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 of the Rollover Shareholders or any of their respective advisers, consultants, agents, employees, directors, officers or other representatives.

8. **Mitigation of losses**


The Offeror shall procure and ensure that all reasonable steps are taken and all reasonable assistance is given to avoid or mitigate any claim under this Deed.

9. **Consequential loss**

Notwithstanding anything to the contrary contained herein, in no event shall the Rollover Shareholders be liable to the Offeror 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 this Deed has been executed by the as a deed by the parties on the date first above written.

SIGNED, SEALED AND DELIVERED )  
as a deed by **NG YEW SUM** )  
in the presence of: )  
)


  
.....  
(Signature)



Witness's signature:

  
.....

SIGNED, SEALED AND DELIVERED )  
as a deed by **LAW ENG HOCK** )  
in the presence of: )  
)

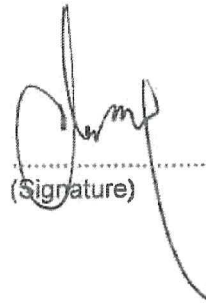
  
.....  
(Signature)



Witness's signature:

  
.....

SIGNED, SEALED AND DELIVERED )  
as a deed by **CHIN SZE KEE** )  
in the presence of: )  
)

  
\_\_\_\_\_  
(Signature)



Witness's signature:

  
\_\_\_\_\_

SIGNED, SEALED AND DELIVERED )  
as a deed by **LUAH KOK LAM** )  
in the presence of: )  
)



.....  
(Signature)

Witness's signature:



.....