

DATE: 23 September 2024

**HATCHER GROUP LIMITED
(as “Company”)**

and

**REDBRIDGE CAPITAL GLOBAL OPPORTUNITIES OFC
(as “Subscriber”)**

SUBSCRIPTION AGREEMENT

THIS AGREEMENT is dated 23 day of September 2024

BETWEEN:

- (1) **HATCHER GROUP LIMITED**, a company incorporated in the Cayman Islands and having its principal place of business at 21/F., Grand Millennium Plaza, 181 Queen's Road Central, Hong Kong (the "**Company**"); and
- (2) **REDBRIDGE CAPITAL GLOBAL OPPORTUNITIES OFC** for and on behalf of Redbridge Capital Global Opportunities Sub Fund 1 and Redbridge Capital Global Opportunities Sub Fund 2, equally an open ended fund company with multiple sub funds, incorporated in Hong Kong and registered with the Hong Kong Securities and Futures Commission, having its principal place of business at Room 2, 3203-04, 32/F, 9 Queen's Road Central, Hong Kong (the "**Subscriber**").

WHEREAS:

- (A) As at the date hereof, the Company has an authorised share capital of HK\$20,000,000 divided into 80,000,000 Shares, of which 42,817,360 Shares have been issued and are fully paid up or credited as fully paid. The issued Shares are listed and traded on the GEM of the Stock Exchange.
- (B) The Company has agreed to issue and the Subscriber has agreed to subscribe for the Convertible Bonds upon the terms and subject to the conditions set out in this Agreement.

NOW IT IS HEREBY AGREED as follows:

1. INTERPRETATION

- 1.1 In this Agreement, unless the context otherwise requires, the following words and expressions shall have the following meanings ascribed to each of them below:

"Articles of Association"	the articles of association for the time being of the Company;
"Business Day"	any day on which the Stock Exchange is open for business to deal in securities;
"Completion"	completion of the Subscription in accordance with Clause 5 of this Agreement;
"Completion Date"	the date within ten 10 Business Days after the date of fulfillment of the conditions in Clause 3.1;
"Conversion Price"	The conversion price per Conversion Share (subject to adjustments) of the Convertible Notes and being HK\$0.315 per Conversion

	Share initially;
“Convertible Bonds”	the convertible bonds due on the date falling on twenty four (24) months of the issue date of the Convertible Bonds in the principal amount of HK\$5,670,000 to be issued by the Company in accordance to the terms and conditions of this Agreement;
“Directors”	directors of the Company;
“GEM”	GEM operated by the Stock Exchange;
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on the GEM of the Stock Exchange;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Parties”	the parties to this Agreement and the term “Party” shall mean any of them;
“SFC”	Securities and Futures Commission of Hong Kong;
“Shares”	ordinary shares of HK\$0.25 each in the share capital of the Company;
“Specific Mandate”	the specific mandate to be sought from the Shareholders for the issue of the Convertible Bonds;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription”	the subscription for the Subscription Shares by the Subscriber upon the terms and subject to the conditions of this Agreement;
“this Agreement”	this agreement for the Subscription, as amended from time to time;
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong; and
“%”	per cent.

2. SUBSCRIPTION

- 2.1 Subject to the terms and conditions of this Agreement, the Subscriber shall subscribe for, and the Company shall issue, the Convertible Bonds in cash at the principal amount of HK\$5,670,000.

3. CONDITION PRECEDENT

- 3.1 Completion is conditional upon the fulfilment or waiver (as the case may be) of the following conditions:
- (a) the passing of all necessary resolutions by the Shareholders at the EGM approving/ratifying (as the case may be), including but not limited to, (i) this Agreement and the transactions contemplated thereunder; and (ii) the issue of the Convertible Bonds under the Specific Mandate in accordance with the Listing Rules;
 - (b) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Conversion Shares and such approval has not been revoked prior to Completion;
 - (c) the necessary consents and approvals in relation to the Subscription Agreement and the transactions contemplated thereunder having been obtained; and
 - (d) the representation and warranties of the Company remaining true and accurate in all material respects and are not misleading as at the date of the Subscription Agreement and the date of Completion.
- 3.2 If the above conditions are not fulfilled or waived (as the case may be) by 5:00 p.m. on 31 December 2024 (or such other date as the Parties may agree in writing), the Subscription Agreement will be automatically terminated and lapsed and none of the parties to the Subscription Agreement shall have any claim against the other in respect of the Subscription, save for any antecedent breaches thereof.

4. WARRANTIES

- 4.1 The Company hereby warrants, represents and undertakes to the Subscriber that:

- (i) the statements of fact set out in the Recitals are true and correct in all material respects;
- (ii) the Conversion Shares shall be fully paid up and rank pari passu inter se and with all other existing issued Shares and the Company shall have the right power and authority to issue the full legal and beneficial ownership in the Convertible Bonds on the Completion Date, free from all liens, charges, encumbrances,

claims, options or other third party rights together with all rights attaching thereto as at the date hereof including the right to receive all future dividends and other distributions declared, made or paid by the Company on or after the date hereof;

- (iii) the Company has power under its memorandum and articles of association, and all authorisations, approvals, consents and licences required by the Company have been obtained and are in full force and affect, to permit the entry into this Agreement in the manner set out herein, and this Agreement has been duly authorised and executed by, and constitutes legally binding obligations of, the Company and that entering into this Agreement, carrying out any of the obligations hereunder;
- (iv) other than as previously disclosed by the Company and/or the Company to the public by way of press announcement, circulars, annual and interim reports or otherwise during the preceding 12 months from the date of this Agreement and the downturn in the global economy including in Hong Kong, there has been no material adverse change in the financial or business position of the Company and its subsidiaries taken as a whole;
- (v) all statements of fact contained in the draft announcement in relation to (amongst other things) the Subscription to be published by the Company (a copy of which is attached hereto marked "A" and is herein called the "Announcement") are true and accurate in all material respects; and
- (vi) the Company has been duly incorporated and is validly existing under the laws of the jurisdiction of its incorporation and there has been no petition filed, order made or effective resolution passed for the liquidation or winding up of the Company and the information concerning the Company and the Company is aware and the Company contained in this Agreement is true and accurate in all material respects.

4.2 The Warranties contained in Clause 4.1 are true, complete and accurate in all respects as at the date of this Agreement and will continue to be so up to the time of Completion.

5. COMPLETION

5.1 Subscriber's obligations

Completion shall take place on the Completion Date at 5:00 p.m., at which time the Subscriber shall deliver to the Company an application for all the Convertible Bonds in the form substantially set out in the Schedule accompanied by a cashier order issued by a licensed bank in Hong Kong in favour of the Company in the amount equal to the aggregate principal amount of HK\$5,670,000 payable for the Convertible Bonds or such evidence showing the aggregate principal amount payable for the Convertible Bonds has been transferred to the account of the Company.

5.2 Company's obligations:

- (a) Subject to the performance of the obligations under Clause 5.1, the Company shall allot to the Subscriber (and/or its nominee) the Convertible Bonds in the form specified in Schedule 1 of this Agreement.

5.3 Early Drawdown

- (a) As agreed between the Parties, the Subscriber agreed to advance the principal amount of HK\$5,670,000 to the Company, within 5 business days upon signing of the agreement, prior to the Completion;
- (b) The Company agreed the drawdown shall be directed to VBG Capital Limited, a wholly owned subsidiary of the Company;
- (c) Such funds shall directed to the account of VBG Capital Limited, operated under the discretionary of Redbridge Global Strategies Limited, a corporation with SFC license;
- (d) The funds may, at the discretion of the Company, return to the Company from VBG Capital Limited upon Completion; and
- (e) In the event the Subscription is terminated for whatever reasons, or Completion does not happen on or before 31 March 2025 (or such other date the Parties may agree), the Company shall cause VBG Capital Limited to repay the principal amount of HK\$5,670,000 to the Subscriber as soon as practicable.

6. FURTHER ASSURANCE

Each of the Company and the Subscriber hereby undertakes to the other that it will do all such acts and things and execute all such deeds and documents as may be necessary or desirable to carry into effect or to give legal effect to the provisions of this Agreement and the transactions contemplated hereby.

7. NOTICES

- 7.1 Each notice, demand or other communication given or made under this Agreement shall be in writing in the English language and delivered or sent to the parties hereto at the address set out below (or such other address as the addressee has by not less than five (5) days' prior written notice specified to the other party):-

To the Company

Address: 21/F., Grand Millennium Plaza, 181 Queen's Road Central, Sheung Wan, Hong Kong

Email: ringhui@vbg.com.hk

Attention: Mr. Ringo Hui

To the Subscriber

Address: c/o Redbridge Capital Management Limited
3203-04, 32/F, 9 Queen's Road Central
Central, Hong Kong

Email: jacky@redbridgecml.com

Attention: Sze Chiu Kwan

- 7.2 Any notice, demand or other communication so addressed to the relevant party shall be deemed to have been delivered (a) if sent by facsimile or electronic mail, on the date of transmission or (b) if delivered personally, when delivered or (c) if sent by post, 7 days if overseas and 48 hours if local after the date of posting.

8. CONFIDENTIALITY AND ANNOUNCEMENTS

- 8.1 Each of the parties undertakes to the others that it will not, at any time after the date of this Agreement, divulge or communicate to any person other than to its professional advisers, or when required by law or any rule of any relevant stock exchange body, or to its respective officers or employees whose province it is to know the same any confidential information concerning the business, accounts, finance or contractual arrangements or other dealings, transactions or affairs of any of the others which may be within or may come to its knowledge and it shall use its best endeavours to prevent the publication or disclosure of any such confidential information concerning such matters.
- 8.2 No public announcement or communication of any kind shall be made in respect of the subject matter of this Agreement unless specifically agreed between the parties or unless an announcement is required pursuant to the GEM Listing Rules, the applicable laws and regulations or the requirements of the Stock Exchange, the SFC or any other regulatory body or authority. Any announcement by any party required to be made pursuant to the GEM Listing Rules, any relevant laws or regulations or the requirements of the Stock Exchange, the SFC or any other regulatory body or authority shall be issued only after such prior consultation with the other party as is reasonably practicable in the circumstances.

9. MISCELLANEOUS

- 9.1 Time shall be of the essence of this Agreement.
- 9.2 No provisions hereof may be amended, waived, discharged or terminated orally, but only by an instrument in writing signed by the parties hereto.

- 9.3 This Agreement sets out the entire agreement between the parties hereto and supersedes any other commitments, agreements, warranties or understandings, written or verbal, that the parties hereto may have had with respect to the subject matter of this Agreement.
- 9.4 If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect, the remaining provisions hereof shall in no way be affected or impaired thereby.
- 9.5 This Agreement shall be binding on and enure for the benefit of the successors of each of the parties hereto and shall not be assignable.

10. THIRD PARTY RIGHTS

A person who is not a party to this Agreement shall no rights under the Contracts (Rights of Third Parties) Ordinance (Cap.623 of the Laws of Hong Kong) to enforce or enjoy the benefit of any terms of this Agreement. Consent of any person who is not a party is not required to rescind or vary any provisions of this Agreement.

11. GOVERNING LAW AND JURISDICTION

This Agreement is governed by and shall be construed in all respects in accordance with the laws of Hong Kong. The parties hereto irrevocably agree to submit to the non-exclusive jurisdiction of the Courts of Hong Kong.

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

THE COMPANY

SIGNED by **HUI RINGO WING KUN**
for and on behalf of
HATCHER GROUP LIMITED

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in the presence of:

MO JUN HEEM

THE SUBSCRIBER

SIGNED by **SZE CHIU KWAN**
for and on behalf of
REDBRIDGE CAPITAL GLOBAL
OPPORTUNITIES OFC
for and on behalf of
Redbridge Capital Global Opportunities Sub Fund 1
and Redbridge Capital Global Opportunities Sub Fund 2

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in the presence of:



MO HUN PING