

Dated 15th November 2024

GLOBAL STRATEGIC GROUP LIMITED

(as the Company)

and

RIFA SECURITIES LIMITED

(as the Underwriter)

UNDERWRITING AGREEMENT

relating to a rights issue of
up to 182,344,000 Rights Shares of HK\$0.10 each in
GLOBAL STRATEGIC GROUP LIMITED
at HK\$0.28 per Rights Share payable in full on application
(on the basis of 4 Rights Shares for every 1 Consolidated Share held on Record Date)

THIS AGREEMENT is made this 15th day of November 2024

BETWEEN:

- (1) **GLOBAL STRATEGIC GROUP LIMITED**, a company incorporated in the Cayman Islands with limited liability and having its registered office at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and its principal place of business in Hong Kong at Unit 52, 2/F., Fu Lee Loy Mansion, 9-27 King Wah Road, North Point, Hong Kong (the “**Company**”); and
- (2) **RIFA SECURITIES LIMITED**, a company incorporated in Hong Kong with limited liability and having its registered office at Level 7, 28 Hennessy Road, Hong Kong (the “**Underwriter**”);

(the Company and the Underwriter are referred to below collectively as the “**Parties**” and individually as a “**Party**”)

WHEREAS:

- (A) The Company was incorporated in the Cayman Islands with limited liability, whose issued shares are listed on GEM of the Stock Exchange (stock code: 8007) (as defined below). As at the date hereof, the Company has an authorised share capital of HK\$80,000,000 divided into 8,000,000,000 Existing Shares (as defined hereinafter) with par value of HK\$0.01 each, of which 455,860,000 Existing Shares have been issued and are fully paid or credited as fully paid.
- (B) As at the date of this Agreement, the Company has no outstanding convertible bonds, options, derivatives, warrants, conversion rights or other similar rights entitling holders thereof to subscribe for or convert into or exchange into Shares.
- (C) The Company proposes to seek the Shareholders’ approval by way of an ordinary resolution at the EGM for the Share Consolidation involving the consolidation of every ten (10) issued and unissued Existing Shares with par value of HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share with par value of HK\$0.10 each; and
- (D) Upon the Share Consolidation having become effective, the authorised share capital of the Company will become HK\$80,000,000 divided into 800,000,000 Consolidated Shares with par value of HK\$0.10 each, of which 45,586,000 Consolidated Shares will be in issue and fully paid or credited as fully paid.
- (E) Subject to the Share Consolidation having become effective, the Company intends to offer, subject to the fulfilment of the Conditions, to the Qualifying Shareholders a total of 182,344,000 Rights Shares (assuming no change in the number of Shares in issue on

or before the Record Date) by way of rights issue on the basis of four (4) Rights Shares for every one (1) Consolidated Share held on the Record Date at the Subscription Price of HK\$0.28 per Rights Share, payable in full on acceptance and on the terms and subject to the conditions set out in this Agreement and the Prospectus Documents.

- (F) The Underwriter is a corporation licensed to carry on type 1 (dealing in securities) regulated activity under the SFO. It has agreed to, on a non-fully underwritten basis, partially underwrite up to 36,468,800 Rights Shares, representing 20% of the maximum number of 182,344,000 Rights Shares to be issued and allotted pursuant to the Rights Issue, subject to the terms and conditions as set out below.

NOW IT IS HEREBY AGREED AS FOLLOWS:

1. DEFINITIONS AND RULES OF INTERPRETATION

- 1.1 Unless the context requires otherwise, in this Agreement, including the recitals hereto, the following expressions shall have the following meanings:

“acting in concert”	has the same meaning ascribed to it under the Takeovers Code;
“associate(s)”	has the same meaning ascribed to it under the GEM Listing Rules;
“Announcement”	the announcement to be made by the Company concerning, among other things, the Share Consolidation and the Rights Issue;
“Audited Accounts Date”	30 September 2023;
“Board”	the board of Directors or a duly authorised committee thereof;
“Business Day”	means a day (other than a Saturday and a day on which “extreme conditions” is announced by the Government of Hong Kong or a tropical cyclone warning no. 8 or above is hoisted in Hong Kong at any time between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business throughout their normal business hours;

“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC;
“Conditions”	the conditions of the Rights Issue as set out in Clause 2.1;
“Consolidated Share(s)”	ordinary share(s) with par value of HK\$0.10 each in the share capital of the Company immediately upon the Share Consolidation becoming effective;
“C(WUMP)O”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong;
“Directors”	the directors of the Company;
“EAF(s)”	the excess application form(s) to be issued by the Company to the Qualifying Shareholders in connection with the Rights Issue;
“EGM”	the extraordinary general meeting of the Company to be convened to consider and, if thought fit, approve, among other things, the proposed Share Consolidation, the proposed Rights Issue and this Agreement;
“Existing Share(s)”	ordinary share(s) with par value of HK\$0.01 each in the share capital of the Company prior to the Share Consolidation becoming effective;
“GEM”	GEM operated by the Stock Exchange;
“GEM Listing Committee”	has the same meaning ascribed to it under the GEM Listing Rules;
“GEM Listing Rules”	the Rules Governing the Listing of Securities on GEM;
“Group”	the Company and its subsidiaries;
“HK\$	Hong Kong dollars, the lawful currency of Hong Kong;
“HKSCC”	the Hong Kong Securities Clearing Company Limited;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;

“Independent Shareholder(s)”	any Shareholder(s) who are not required to abstain from voting at the EGM under the GEM Listing Rules;
“Independent Third Party(ies)”	any persons or company and their respective ultimate beneficial owner(s) which, to the best of the Directors’ knowledge, information and belief having made all reasonable enquires, are third parties independent of and not connected with the Company and its connected persons (or any of their respective associate) in accordance with the GEM Listing Rules;
“Latest Lodging Time”	4:30 p.m. on Wednesday, 22 January 2025 or such other time as the Parties may agree in writing as the latest time for lodging transfer of the Consolidated Shares in order to qualify for the Rights Issue;
“Latest Time for Acceptance”	4:00 p.m. on Tuesday, 18 February 2025 or such other time as the Parties may agree in writing as the latest time for acceptance of and payment for the Rights Shares;
“Latest Time for Termination”	4:00 p.m. on Wednesday, 19 February 2025 or such later time as the Parties may agree in writing as the latest time to terminate this Agreement;
“Non-Qualifying Shareholders”	the Overseas Shareholders to whom the Board, after making enquires, considers it necessary or expedient not to offer the Rights Issue on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place;
“Overseas Shareholders”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company at the close of business on the Record Date and whose registered address(es) as shown on such register at that time is (are) in (a) place(s) outside Hong Kong;
“PAL(s)”	the provisional allotment letter(s) in respect of the Rights Issue to be issued by the Company to the Qualifying Shareholders;
“Prospectus”	the prospectus in relation to the Rights Issue to be issued and despatched by the Company to the Shareholders;

“Prospectus Documents”	collectively, the Prospectus, the PAL and the EAF;
“Prospectus Posting Date”	Tuesday, 4 February 2025 or such later date as may be agreed by the Company, being the expected date the Prospectus Documents will be made available and/or sent (as the case may be) to the Qualifying Shareholders and the Prospectus for information only to the Non-Qualifying Shareholders;
“Qualifying Shareholders”	the Shareholders whose names appear on the register of members of the Company on the Record Date other than the Non-Qualifying Shareholders;
“Record Date”	Monday, 3 February 2025 or such other date as the Parties may agree in writing for the determination of the entitlements under the Rights Issue;
“Registrar”	Tricor Secretaries Limited, of 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, the Hong Kong branch share registrar and transfer office of the Company;
“Rights Issue”	the proposed issue of the Rights Shares on the basis of four (4) Rights Shares for every one (1) Consolidated Share in issue and held on the Record Date at the Subscription Price on the terms and subject to the conditions set out in this Agreement and the Prospectus Documents;
“Rights Shares”	up to 182,344,000 new Consolidated Shares proposed to be allotted and issued by the Company to the Qualifying Shareholders or subscription pursuant to the Rights Issue, assuming no change in the number of Consolidated Shares in issue on or before the Record Date;
“Settlement Date”	the date being the third Business Day following but excluding the Latest Time for Acceptance or such later date as the Parties may agree in writing;
“SFC”	the Securities and Futures Commission of Hong Kong;
“SFO”	the Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong;

“Share Certificate Despatch Date”	Thursday, 27 February 2025 or such other date as the Parties may agree in writing, being the date of despatch of share certificates for the fully-paid Rights Shares;
“Shareholder(s)”	the holder(s) of issued Share(s);
“Shares”	the Existing Share(s) and/or the Consolidated Share(s) as the case may be;
“Share Consolidation”	the proposed consolidation of every ten (10) issued and unissued Existing Shares with par value of HK\$0.01 each in the share capital of the Company into one (1) Consolidated Share with par value of HK\$0.10 each;
“Specified Event”	an event occurring or matter arising on or after the date hereof and prior to the Latest Time for Termination which if it had occurred or arisen before the date hereof would have rendered any of the warranties contained in Clause 9.1 untrue or inaccurate in a material respect;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscription Price”	the issue price of HK\$0.28 per Rights Share at which the Rights Shares are proposed to be offered for subscription pursuant to the Rights Issue;
“subsidiary”	has the meaning ascribed to it under the Companies Ordinance, Chapter 622 of the Laws of Hong Kong;
“substantial shareholders”	has the meaning ascribed to it under the GEM Listing Rules;
“taken up”	in relation to any Rights Shares, such Rights Shares in respect of which valid application under PAL and/or EAF has been made in accordance with the terms of the Prospectus Documents together with a cheque or cashier’s order or other remittance for the full amount payable in respect of such Rights Shares which is honoured on first or, at the discretion of the Underwriter, subsequent presentation;
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers issued by the SFC, as may be amended from time to time;
“Underwriter’s Fees”	as defined in Clause 7.1;

“Underwritten Shares” up to 36,468,800 Right Shares, being 20% of the maximum number of 182,344,000 Rights Shares to be issued and allotted pursuant to the Rights Issue to be underwritten by the Underwriter pursuant to this Agreement; and

“%” per cent.

- 1.2 Unless the context requires otherwise, words importing the singular include the plural and vice versa; words importing a gender include all genders; and references to any person include an individual, partnership, limited liability company, body corporate or unincorporated, association, trust, firm, and governmental or regulatory body.
- 1.3 The headings in this Agreement are inserted for convenience only and shall be ignored in construing this Agreement.
- 1.4 References in this Agreement to a document being “in the agreed form” means in such form as may following the date hereof be agreed between the Parties, both acting reasonably.
- 1.5 References in this Agreement to Clauses are references to clauses of this Agreement. The recitals to this Agreement form an integral part of this Agreement.
- 1.6 References in this Agreement to a date or time are to that date or time in Hong Kong.
- 1.7 References in this Agreement to any ordinance, regulation or statutory provision in this Agreement include references to such ordinance, regulation or statutory provision as modified, consolidated or re-enacted from time to time.

2. CONDITIONS

- 2.1 The Rights Issue is conditional upon:
 - (a) the Share Consolidation having become effective by no later than the Prospectus Posting Date;
 - (b) the passing by the Shareholders or Independent Shareholders (as the case may be) at the EGM of the necessary resolution(s) to approve the Share Consolidation, the Rights Issue, this Agreement and the transactions contemplated thereunder (including but not limited to the allotment and issue of the Rights Shares) by no later than the Prospectus Posting Date;

- (c) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms;
- (d) the provision to the Stock Exchange for authorisation and the filing and registration with the Companies Registry in Hong Kong respectively one duly certified copy of each of the Prospectus Documents (and all other documents required to be attached thereto) and otherwise in compliance with the GEM Listing Rules and the C(WUMP)O not later than the Prospectus Posting Date;
- (e) following registration, the Prospectus Documents be made available and/or sent (as the case may be) to the Qualifying Shareholders (and, where applicable, to the Non-Qualifying Shareholder(s), if any, for information purpose only) and the publication of the Prospectus Documents on the website of the Stock Exchange on or before the Prospectus Posting Date;
- (f) the Company having complied with the requirements under all applicable laws and regulations; and
- (g) this Agreement not being terminated pursuant to the terms hereof and remaining in full force and effect.

2.2 None of the above Conditions can be waived. The Company shall use its reasonable endeavours to procure the fulfilment of all the Conditions by the Latest Time for Termination or such other time as the Parties may agree in writing. The Company shall furnish such information, supply such documents, pay such fees, give such undertakings and do all such other acts and things as may be necessary to give effect to the Rights Issue.

2.3 If the Conditions are not fulfilled by the Latest Time for Termination or such other time as the Parties may agree in writing, this Agreement shall terminate (save and except for Clauses 7.2, 12, 13, 14 and 15 which shall remain in full force and effect) and no Party shall have any claim against the other Party for costs, damages, compensation or otherwise save for any antecedent breaches.

3. PUBLICATION OF THE ANNOUNCEMENT

Subject to the approval by the Stock Exchange, the Company shall arrange for the Announcement to be published on the website of the Stock Exchange and the website of the Company as soon as reasonably practicable following the signing of this Agreement.

4. RIGHTS ISSUE

- 4.1 Subject to the fulfilment of the Conditions and upon the completion of the Capital Reorganisation, the Company shall:
- (a) offer the Rights Shares to the Qualifying Shareholders by way of the Rights Issue, on the basis of four (4) Rights Shares for every one (1) Consolidated Share held on the Record Date, at the Subscription Price of HK\$0.28 per Rights Share, payable in full on acceptance, by posting the Prospectus Documents to the Qualifying Shareholders on the Prospectus Posting Date;
 - (b) (if applicable) on or before the Prospectus Posting Date, send, despatch or make available of the Prospectus marked “For information only” and a letter explaining the circumstances in which the Non-Qualifying Shareholders are not permitted to participate in the Rights Issue, without the PAL and the EAF, to the Non-Qualifying Shareholders (if any); and
 - (c) deliver to the Underwriter a certified copy of the resolutions authorising the publication of the Prospectus on or before the Prospectus Posting Date.
- 4.2 Prior to the despatch of the Prospectus Documents pursuant to Clause 4.1(a), the Company shall deliver to the Underwriter a copy of the letters from the auditors or reporting accountants of the Company, as appropriate, addressed to the Company reporting on or confirming the proforma net tangible asset value of the Group, and where necessary, sufficiency of working capital of the Group, indebtedness statement and other financial information if and as required by the Stock Exchange or the SFC to be contained in the Prospectus and consenting to the issue of the Prospectus with the inclusion of their names and the references thereto in the form and context in which they are included.
- 4.3 The Rights Shares, when allotted, issued and fully paid, shall rank *pari passu* with the Shares then in issue in all respects. Holders of full-paid Rights Shares shall be entitled to receive all future dividends and distributions which are declared, made or paid with the record date which falls on or after the date of allotment and issue of the Rights Shares in their fully-paid form.
- 4.4 The Company shall not make available for subscription by the Qualifying Shareholders such Rights Shares representing any Rights Shares for which the PAL (accompanied by the appropriate remittances which are honoured on first, or at the discretion of the Underwriting, subsequent presentation and otherwise in compliance with the procedure for acceptance as described in the Prospectus Documents) has not been lodged prior to the Latest Time for Acceptance and any Rights Shares which would otherwise have been offered to the Non-Qualifying Shareholders.

- 4.5 On the basis of provisional allotment of four (4) Rights Shares for every one (1) Consolidated Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

5. UNDERWRITING OBLIGATIONS AND ACCEPTANCE OF RIGHTS SHARES

- 5.1 The Company shall as soon as practicable after the Latest Lodging Time and in any event before the Record Date make such enquiry regarding the legal restrictions, if any, under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange in the place where the Overseas Shareholders, if any, reside.
- 5.2 Subject to the provisions hereof, the Underwriter's obligations hereunder shall terminate if, before the Latest Time for Acceptance, PALs and/or EAFs in respect of all the Rights Shares have been lodged in accordance with the terms of the Prospectus Documents, together with cheques or cashier's orders or other remittances for the full amount payable thereunder which are honoured on first or, at the discretion of the Underwriter, subsequent presentation. The Rights Shares comprised in the PALs and/or the EAFs which are so lodged together with such remittances are referred to below as having been "accepted".
- 5.3 If by the Latest Time for Acceptance any of the Rights Shares have not been taken up, the Company shall as soon as practicable thereafter and in any event before 4:00 p.m. on the first Business Day after the Latest Time for Acceptance notify or procure the Registrar to notify the Underwriter on behalf of the Company in writing of the number of Rights Shares not taken up; and the Underwriter shall subscribe for or procure subscription of such Rights Shares pursuant to this Agreement and on the terms of Prospectus Documents (so far as the same are applicable) by 5:00 p.m. on the Settlement Date.
- 5.4 The Underwriter shall pay or procure payment to the Company by way of banker's draft or cashier's order drawn on a licensed bank in Hong Kong or by way of bank transfer of the aggregate subscription amount in respect of the Underwritten Shares, less any amounts payable to the Underwriter pursuant to Clause 7.1, not later than 5:00 p.m. on the Settlement Date.
- 5.5 Following receipt by the Company of payment referred to in Clause 5.4 in full, the Company shall, not later than 4:00 p.m. on the Share Certificate Despatch Date, either:
- (a) arrange for delivery to the Underwriter or its nominee of share certificates in respect of the fully-paid Underwritten Shares for which the Underwriter has subscribed or procure subscription in such names and denominations as the Underwriter may reasonable require at the same time as share certificates are despatched generally to persons who have applied for the Rights Shares; or

- (b) where the Underwriter has designated an investor participant or CCASS participant stock account for deposit of all or part of the Underwritten Shares, delivery to the Underwriter evidence that such documents and instructions required to effect the crediting of such Underwritten Shares have been signed or given, as the case may be. If any Underwritten Shares are not accepted into CCASS, certificates shall be issued in respect of such Underwritten Shares in accordance with Clause 5.5(a).
- 5.6 The Underwriter undertakes to the Company that, other than the transactions contemplated under this Agreement and as disclosed (or will be disclosed) in the Announcement and/or the Prospectus Documents, save with the prior written consent of the Company, the Underwriter and its associates will not deal in the Shares or other securities of the Company from the date hereof up to the first day of dealings in the fully-paid Rights Shares, save that the Underwriter may, before the Settlement Date, enter into agreement with any other person in respect of: (a) sub-underwriting of the Rights Shares; and/or (b) subscription of any Underwritten Shares, so long as such transactions are in compliance with applicable laws and regulations.
- 5.7 The Underwriter hereby unconditionally and irrevocably undertakes to the Company that in the event the Underwriter or any of its sub-underwriters is called upon to subscribe or procure subscription of the Underwritten Shares pursuant to this Agreement:
 - (a) without affecting the Underwriter's obligation to underwrite the Underwritten Shares under this Agreement, whether to underwrite the same by itself or procure sub-underwriting of the same, the Underwriter shall not subscribe, for its own account, for such number of Underwritten Shares which will result in the shareholding of it and parties acting in concert with it in the Company to trigger a mandatory offer obligation under rule 26 of the Takeovers Code on the part of the Underwriter and parties acting in concert with it upon completion of the Rights Issue;
 - (b) the Underwriter shall and shall cause its sub-underwriters to use its best endeavours to ensure that (i) each of the sub-underwriters, subscribers or purchasers of the Underwritten Shares procured by it shall be an Independent Third Party, not acting in concert with, and not connected with the Company, any of the Directors, chief executives or substantial shareholders of the Company or their respective associates; and (ii) none of the persons to be procured by it and its sub-underwriters to subscribe for the Shares not taken up by the Qualifying Shareholders will be holding 10.0% or more of the total issued share capital of the Company immediately after completion of the Rights Issue; and
 - (c) the Underwriter shall and shall cause its sub-underwriters to use its best endeavours to ensure and procure that the minimum public float requirement

under Rule 11.23 of the GEM Listing Rules be fulfilled by the Company upon completion of the Rights issue.

- 5.8 If the Underwriter shall default in comply with its obligations under this Clause 5, the Company is hereby irrevocably authorised to treat this Agreement as an application by the Underwriter for the Underwritten Shares on the terms of the Prospectus Documents (so far as the same are applicable and other than as to the time of application and payment which shall be dealt with in accordance with this Clause 5) and to allot and issue the Underwritten Shares to the Underwriter. The Underwriter shall forthwith pay to the Company the aggregate Subscription Price in respect of the Underwritten Shares less any amounts payable to the Underwriter pursuant to Clause 7.1. The Company shall deliver to the Underwriter (or as it may direct) documentary evidence of entitlement to the Underwritten Shares reasonably satisfactory to the Underwriter.

6. ALLOTMENT AND ISSUE

- 6.1 Subject to the fulfilment of the Conditions, the Company shall, not later than 4:00 p.m. on the Share Certificate Despatch Date, duly allot and issue the Rights Shares validly accepted and applied for and paid for and shall issue certificates for such Rights Shares to the relevant subscribers in accordance with the terms of the Prospectus Documents.
- 6.2 The Company shall allot and issue the Underwritten Shares taken up by the Underwriter or for which it has procured subscription as provided in Clause 5 in accordance with Clause 5.5.

7. UNDERWRITER'S FEES

- 7.1 In consideration of the Underwriter's obligation to underwrite the Underwritten Shares and its services in connection with the issue of the Rights Issue as stipulated herein, the Company shall by not later than the date of despatch of the share certificates in respect of the Rights Shares make the following payments to the Underwriter (the "**Underwriter's Fees**"):
- (a) an underwriting commission of 3% of the subscription amount in respect of the Underwritten Shares, being the gross proceeds from the Underwritten Shares; and
 - (b) all costs, fees and out-of-pocket expenses reasonably incurred by the Underwriter in the performance of its obligations hereunder, provided that the Underwriter has provided the Company with documentary evidence of such costs, fees and out-of-pocket expenses to the Company's satisfaction.
- 7.2 Notwithstanding any provision hereof to the contrary, the Company is not obliged to pay the underwriting commission referred to in Clause 7.1(a) if the Rights Issue does

not become unconditional or if the Underwriter terminates this Agreement pursuant to Clause 10.

- 7.3 The Underwriter shall pay any commissions, costs and expenses incurred by it in respect of or in connection with any sub-underwriting of the Underwritten Shares out of the underwriting commission referred to in Clause 7.1(a).
- 7.4 The Underwriter may withhold the Underwriter's Fees from any payment to be made by it to the Company under Clause 5.4. In the event that the Underwriter is not called upon to subscribe for or procure subscription of all or part of the Rights Shares pursuant to Clause 5 and/or the amount of the aggregate Subscription Price payable by the Underwriter under Clause 5.4 is less than the Underwriter's Fees, the Company shall pay to the Underwriter the Underwriter's Fees or the balance thereof, as the case may be, on or before the Share Certificate Despatch Date or such other date as the Parties may agree in writing.
- 7.5 The Company shall bear its own legal fees, accountancy and other professional fees, the Registrar's fees, the costs of printing and distributing the Announcement and the Prospectus Documents and all other costs, charges and expenses relating to the issue of the Rights Shares and associated transactions (including, without limitation, all fees payable to the Stock Exchange in connection with the listing of the Rights Shares and capital duty (if any) payable on the increase or issue of its share capital). The Company shall as soon as practicable upon written request by the Underwriter reimburse the Underwriter for any such costs, charges and expenses which the Underwriter has properly paid or incurred at the request and on behalf of the Company.
- 7.6 The Underwriter may enter into sub-underwriting arrangements with sub-underwriters or appoint any persons to be sub-agents on its behalf for the purpose of arranging for the subscription of the Underwritten Shares with selected subscribers with such authority and rights as the Underwriter have pursuant to its appointment under this Agreement.

8. ANNOUNCEMENTS

Save as required under this Agreement, the GEM Listing Rules or the SFO or by the Stock Exchange or the SFC, no public announcement or communication to the Shareholders, the Stock Exchange or the SFC concerning the Company and/or its subsidiaries which is material in relation to the Rights Issue shall be made or despatched by the Company or the Underwriter between the date hereof and, if all the Rights Shares are taken up, the Latest Time for Acceptance or, in any other case, the time at which the Underwriter are obliged to make payment under Clause 5.4, without the prior written approval from the Company and the Underwriter as to the content, timing and manner of making or despatch thereof which approval shall not be unreasonably withheld or delayed.

9. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

9.1 The Company represents, warrants and undertakes to the Underwriter that:

- (a) the facts stated in the recitals to this Agreement are true and accurate in all material respects;
- (b) all statements of facts contained or to be contained in the Announcement or in the Prospectus Documents are and will at the date of issue thereof be true, accurate and not misleading in all material respects and all expressions of opinion, intention and expectation expressed therein are and will be fair and made after due and careful consideration;
- (c) there will be no information not disclosed in the Prospectus Documents: (i) the omission of which makes any statement therein misleading or which, in the context of the issue of the Rights Shares, might be material for disclosure therein; or (ii) which is necessary to enable investors to make an informed assessment of the activities, assets and liabilities, financial position, management, profits and losses and prospects of the Company and of the rights attaching to the Rights Shares;
- (d) the audited consolidated balance sheet of the Group as at the Audited Accounts Date, the audited consolidated profit and loss account of the Group for the financial year ended on the Audited Accounts Date (including the notes thereto) were prepared in accordance with the applicable law and on a basis consistent with that adopted in preparing the audited accounts for the previous two (2) financial years in accordance with accounting principles, standards and practices generally accepted in Hong Kong so as to give (except to the extent (if any) disclosed therein) a true and fair view of the state of affairs of the Group as at the relevant dates and the profit or loss of the Group for the relevant financial periods. There has been no material adverse change in the financial and trading position of the Group since the Audited Accounts Date;
- (e) the returns for taxation purposes, which ought to have been made by or in respect of the companies in the Group in Hong Kong and any other part of the world, have been duly made and there are no circumstances known to any company in the Group or any of their respective directors, after making due and careful enquiry, which might be the occasion of any dispute with the relevant revenue or other appropriate authorities which is materially adverse to the Group and all such returns are in all material respects up-to-date, correct and on a proper basis and are not the subject of any material dispute with the relevant revenue or other appropriate authorities;

- (f) all information necessary for the purpose of, or in the course of preparation of, the Announcement and the Prospectus, or which ought reasonably to have been disclosed or made available by the Company or the Directors was so disclosed or made available to the Underwriter or its legal advisors fully, fairly and accurately;
- (g) each of the companies in the Group is duly incorporated in and under the laws of its place of incorporation and has full power and authority to conduct its business as now carried on;
- (h) neither the Company nor any of its subsidiaries is engaged in any litigation, arbitration, prosecution or other legal proceedings of material importance nor is there any such proceedings pending or threatened against the Company or any of its subsidiaries, nor, to the best knowledge of the Company, is there any claim or fact likely to give rise to any claim which in any such case may have or has had a material adverse effect on the financial position of the Company and its subsidiaries taken as a whole or which may have or has had a material adverse effect in the context of the Rights Issue;
- (i) except as has been disclosed by the Company by public announcement to the Shareholders, neither the Company nor any of its subsidiaries has entered into any contract or commitment of an unusual or onerous nature which, in the context of the Rights Issue, might be material for disclosure;
- (j) the Company and its subsidiaries have carried on its business in the ordinary and usual course and there has been no material adverse change in the financial or trading position of the Company or any of its subsidiaries which has not been fully and properly disclosed by the Company in the form of an announcement in accordance with the GEM Listing Rules or otherwise as required by the GEM Listing Rules;
- (k) no order has been made and no resolution has been passed for the winding up of, or for a provisional liquidator to be appointed in respect of, the Company or any of its subsidiaries, and no petition has been presented and no meeting has been convened for the purpose of winding up any of the same; no receiver has been appointed in respect of the Company or any of its subsidiaries or all or any of the assets of the Group; none of the Company or any of its subsidiaries is insolvent, or unable to pay its debts within the meaning of section 178 or 327 of the C(WUMP)O, as the case may be, or has stopped paying its debts as they fall due; and no unsatisfied judgment which is materially adverse to the condition of the Company is outstanding against the Company or any of its subsidiaries;
- (l) the Prospectus Documents will contain all particulars and information required by, and will be in accordance with the C(WUMP)O, the GEM Listing Rules, the

rules and regulations of the Stock Exchange and all other relevant statutory provisions and governmental regulations in Hong Kong and the Cayman Islands and shall not involve any breach of or default under any agreement, trust deed or instrument to which any member of the Group is a party;

- (m) no material outstanding indebtedness or guarantee or indemnity of any liability of the Company or any of its subsidiaries has become payable by reason of default by the Company or any of its subsidiaries and no event has occurred or is pending which with the lapse of time or the fulfilment of any condition or the giving of notice or the compliance with any other formality may result in any such indebtedness or guarantee or indemnity of any liability becoming so payable;
- (n) the Company shall not from the date hereof until after the Latest Time for Acceptance issue any Shares or issue or grant any share options or other securities convertible into, exchangeable for or which carry rights to acquire Shares;
- (o) the Company has power under its memorandum and articles of association, has or will have taken all necessary corporate or other action to enable it to, and no other consents, actions, authorisations or approvals (other than the consent and approvals referred to in Clause 2.1) are necessary to enable or authorise it to:
 - (i) allot and issue the Rights Shares in accordance with the Prospectus Documents without any sanction;
 - (ii) deal with the Rights Shares attributable to the Non-Qualifying Shareholders, if any, as may be specified in the Prospectus Documents; and
 - (iii) enter into and perform its obligations under this Agreement and to make the Rights Issue;
- (p) the Rights Shares, when allotted, issued and fully paid, will be free from all liens, charges and other encumbrances and third-party rights, interests or claims of any nature whatsoever and will rank *pari passu* in all respects among themselves and with the Shares then in issue on the date of allotment and issue of the Rights Shares; and
- (q) the obligations of the Company under this Agreement constitute legally valid and binding obligations of the Company enforceable in accordance with the terms herein.

- 9.2 The Company further undertakes to use its reasonable endeavours not to cause or permit any Specified Event to occur prior to the Latest Time for Termination. Each of the representations, warranties and undertakings set out in Clause 9.1 shall be construed separately and shall not be limited or restricted by reference to or inference from the terms of any other representations, warranties and undertakings or any other terms of this Agreement. If this Agreement is not terminated by the Underwriter pursuant to Clause 10, all such representations, warranties and undertakings shall be deemed to be repeated as at the Latest Time for Termination with reference to the facts and circumstances then subsisting.
- 9.3 If any Specified Event shall occur and come to the knowledge of the Company prior to the Latest Time for Termination, the Company shall give notice to the Underwriter of the same as soon as practicable.
- 9.4 The Underwriter represents, warrants and undertakes to the Company that:
- (a) the Underwriter is a company duly incorporated, validly existing and in good standing under the laws of Hong Kong;
 - (b) the Underwriter is a corporation licensed to carry on type 1 (dealing in securities) regulated activity under the SFO;
 - (c) the execution and performance by the Underwriter of this Agreement, including to subscribe for or procure subscription of the Underwritten Shares as contemplated hereunder, have been duly authorised by all necessary action on the part of the Underwriter; and
 - (d) the obligations of the Underwriter under this Agreement constitute legally valid and binding obligations of the Underwriter enforceable in accordance with the terms herein.

10. TERMINATION

- 10.1 The Underwriter shall be entitled by giving written notice to the Company to terminate this Agreement if any of the following occurs prior to the Latest Time for Termination:
- (a) any of the following which, in the reasonable opinion of the Underwriter, will or is likely to materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue:
 - (i) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof); and

- (ii) the occurrence, happening, coming into effect or becoming public knowledge of: (1) any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before or after the date hereof) of a political, military, financial, economic or currency (including a change in the system under which the value of HK\$ is linked to the currency of the United States of America) or other nature (whether or not such are of the same nature as any of the foregoing) or of the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities market; (2) a suspension or a material limitation in trading in securities generally on the Stock Exchange; (3) a suspension or a material limitation in trading in the Company's securities on the Stock Exchange for more than ten (10) consecutive Business Days (other than pending publication of the Announcement or any document relating to the Rights Issue); (4) a general moratorium on commercial banking activities in Hong Kong declared by the relevant authority or a material disruption in commercial banking or securities settlement or clearance services in Hong Kong; or (5) a change or development involving a prospective change in taxation affecting the Company, the Shares or the transfer thereof;
- (b) any change in the circumstances of the Company or any member of the Group occurs which in the reasonable opinion of the Underwriter will materially and adversely affect the prospects of the Company, including, without limitation, the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any member of the Group or the destruction of any material assets of the Group;
- (c) any event of force majeure occurs, including, without limitation, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, pandemic outbreak, terrorism, armed conflict, strike or lock-out;
- (d) the commencement by any third party of any litigation or claim against any member of the Group which is material to the Group taken as a whole;
- (e) any other material adverse change in relation to the business or the financial or trading position of the Group as a whole;
- (f) the Company commits a material breach of this Agreement where, in the reasonable opinion of the Underwriter, such breach will or is likely to have a material and adverse effect on the business or the financial or trading position of the Group taken as a whole or is otherwise likely to have a material prejudicial effect on the Rights Issue;

- (g) the Underwriter receives notification pursuant to Clause 9.3 of, or otherwise becomes aware of, the fact that any representation or warranty of the Company as set out in Clause 9.1 was, when given, untrue, inaccurate or would be untrue or inaccurate if repeated as provided in Clause 9.2, and the Underwriter shall, in its reasonable discretion, determine that such untrue or inaccurate representation or warranty represents or is likely to present a material adverse change in the business or the financial or trading position of the Group taken as a whole or is otherwise likely to have a materially prejudicial effect on the Rights Issue;
- (h) any condition to enable the Rights Issue (in nil-paid and fully-paid forms) to be admitted as eligible securities for deposit, clearance and settlement in CCASS is not satisfied or notification is received by the Company from HKSCC that such admission or facility for holding and settlement has been or is to be refused;
- (i) any statement contained in the Announcement or any Prospectus Document has been shown to be untrue, inaccurate, incomplete or misleading in a material respect with reference to the date on which such statement was made; or
- (j) the Company shall, after any Specified Event has occurred or come to the Underwriter's attention, fail promptly to send out any announcement or circular (after the despatch of the Prospectus Documents) in such manner and with such content as the Underwriter may reasonably request for the purpose of preventing the creation of a false market in the securities of the Company and in accordance with the GEM Listing Rules and/or the SFO.

10.2 Upon the giving of notice by the Underwriter pursuant to Clause 10.1, all obligations of the Parties hereunder shall cease and determine and no Party shall have any claim against the other Party in respect of any matter or thing arising out of or in connection with this Agreement, but without prejudice to any rights of any Party in respect of any antecedent breaches.

11. TIME OF THE ESSENCE

Any time, date or period mentioned in this Agreement may be extended by mutual agreement between the Parties, but as regards any time, date or period originally fixed or any time, date or period so extended as aforesaid, time shall be of the essence.

12. NOTICE

12.1 Any notice, demand or other communication required or permitted to be given hereunder shall be delivered personally or sent by pre-paid post or by fax to the following address or fax number of the Party due to receive the same and marked for the attention of the person designated by such Party:

<u>Party</u>	<u>Address</u>	<u>Attention</u>	<u>Facsimile number</u>
The Company	Unit 52, 2/F., Fu Lee Loy Mansion, 9-27 King Wah Road, North Point, Hong Kong	Mr. NIP Chi Kin	(852) 2540 0988
The Underwriter	Level 7, 28 Hennessy Road, Hong Kong	Mr. CHAN Ka Fai, Stephen	(852) 3900 1705

- 12.2 Any notice, demand or other communication served in accordance with Clause 12.1 shall be deemed served: (a) if delivered personally, at the time of delivery; (b) if sent by pre-paid post, two (2) Business Days after the date of posting; and (c) if sent by fax, upon receipt by the Party giving the same of a machine printed confirmation of fax transmission.

13. GENERAL

- 13.1 This Agreement may be executed in two (2) counterparts, each of which when so executed shall be an original, but both of which shall constitute one and the same instrument.
- 13.2 Any liability of any Party hereunder to the other Party may in whole or in part be released, compounded or comprised and time or indulgence may be given by any Party hereunder as regards the other Party under such liability without prejudicing that Party's rights against any other person under the same or a similar liability.
- 13.3 The illegality, invalidity or unenforceability of any provision hereof shall not affect the continuation in force of the remainder of this Agreement.
- 13.4 No variation of this Agreement shall be effective unless made in writing and signed by both Parties.

14. CONTRACTS (RIGHTS OF THIRD PARTIES) ORDINANCE

The provisions of the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) are expressly excluded from and do not apply to this Agreement.

15. GOVERNING LAW AND JURISDICTION

This Agreement shall be governed by and construed in accordance with the laws of Hong Kong. Each Party hereby irrevocably submits to the non-exclusive jurisdiction of the Hong Kong courts.

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In witness whereof the Parties have duly executed this Agreement on the day and year first above written.

THE COMPANY

SIGNED by NIP Chi Kin)
)
its director(s) / person(s) authorised by)
resolution of the board of directors for and on)
behalf of **GLOBAL STRATEGIC GROUP**)
LIMITED)
in the presence of:)

For and on behalf of
Global Strategic Group Limited
環球戰略集團有限公司


.....
Authorized Signature(s)

Signature of witness:  _____

Name of witness: CHEUNG WING SZE

In witness whereof the Parties have duly executed this Agreement on the day and year first above written.

THE UNDERWRITER

SIGNED by CHAN Ka Fai, Stephen)
)
its director(s) / person(s) authorised by resolution)
of the board of directors for and on behalf of)
RIFA SECURITIES LIMITED)
in the presence of:)

For and on behalf of
Rifa Securities Limited
日發證券有限公司
.....
Authorized Signature(s)

Signature of witness:

Name of witness: WU CHANG HAI
R36450719)