

Date: 11th March 2024

YELLOW RIVER CONSULTANTS SERVICES LIMITED
黃河顧問服務有限公司 (as Lender)

AND

火山邑動國際控股有限公司 *(Chinese Name)*

Volcano Spring International Holdings Limited *(English Name)*

(Formerly known as Miji International Holdings Limited 米技國際控股有限公司)
(as Borrower)

First supplementary Loan Agreement of HK\$ 8,000,000.00

Contents

1.	INTERPRETATION AND CONSTRUCTION	3
2.	THE LOAN	7
3.	CONDITIONS PRECEDENT	7
4.	EXTENSION	7
5.	INTEREST	8
6.	REPAYMENT AND EARLY REPAYMENT	9
7.	REPRESENTATIONS AND WARRANTIES.....	10
8.	INFORMATION	13
9.	UNDERTAKINGS	13
10.	EVENTS OF DEFAULT	14
11.	DEFAULT INTEREST	16
12.	INDEMNITIES.....	16
13.	PAYMENTS	18
14.	LENDER'S RIGHT TO SET-OFF	18
15.	FEES, COSTS AND EXPENSES	19
16.	TAXES	19
17.	ILLEGALITY.....	19
18.	INCREASED COSTS	19
19.	ASSIGNMENT	20
20.	EVIDENCE AND DETERMINATION.....	20
21.	REMEDIES AND WAIVERS	21
22.	PARTIAL INVALIDITY	21
23.	NOTICES	21
24.	MEMORANDUM	22
25.	ENTIRE AGREEMENT	22
26.	GENERAL	22
27.	LAW AND JURISDICTION	23
	SCHEDULE 1	24
	FORM OF EXTENSION NOTICE	24
	SCHEDULE 2	25
	CONDITIONS PRECEDENT DOCUMENTS	25
	SCHEDULE 3	26
	SCHEDULE 4	28

THIS FIRST SUPPLEMENTARY LOAN AGREEMENT is made on 11 (*day*) day of March (*month*), 2024 (*year*)

BETWEEN:-

- (1) **Volcano Spring International Holdings Limited (火山邑動國際控股有限公司) (formerly known as Miji International Holdings Limited (米技國際控股有限公司))** (*Name of Borrower*), a company incorporated in the Cayman Island with limited liability, whose registered office is situate at Windward 3, Regatta Office Park PO Box 1350, Grand Cayman KY1-1108, Cayman Islands ("**Borrower**"); and
- (2) **YELLOW RIVER CONSULTANTS SERVICES LIMITED (黃河顧問服務有限公司)**, a company incorporated in Hong Kong with limited liability, whose registered office is situate at 2301B, 23rd Floor, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong ("**Lender**").

WHEREAS:-

- (A) The Lender is a money lender carrying on its business by virtue of a licence granted under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong).
- (B) The Borrower has requested the Lender to extend the repayment term of the loan of HK\$8,000,000.00 (the "**Loan**") per original loan agreement dated 15 February 2023.
- (C) The Lender agrees to extend the Loan to the Borrower subject to the terms and conditions hereinafter mentioned.

NOW IT IS HEREBY AGREED as follows:-

1. Interpretation and Construction

- 1.1 In this Agreement unless the context otherwise requires the following terms shall have the following meanings:

"**Availability Period**" means the period commencing from the date of this Agreement and expiring on the date falling 18 months from the date of the Loan;

"**Business Day**" means a day (excluding Saturday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted 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 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;

“Borrower’s Cheques”	has the meaning given to it in Clause 6.6;
“Dollars” or “HK\$”	the lawful currency of Hong Kong from time to time;
“Extension Date”	means the date of extension of the Loan as specified in the Extension Notice;
“Extension Notice”	means a notice in the form set out in Schedule 1;
“Event of Default”	means any of those events mentioned in Clause 10.1;
“Financing Agreements”	means this Agreement and such other documents as may be executed by the Borrower or any other person as security for the Borrower’s obligations under the Financing Agreements and all documents ancillary to or derived from any of them and, where the context permits, includes any of them;
“Financing Parties”	means the Borrower and any other person who is a party to any Financing Agreement (except the Lender) and, where the context permits, includes any of them;
“Interest”	means the interest payable by the Borrower to the Lender in accordance with Clause 5;
“Interest Payment Dates”	means the dates on which the Interest is payable by the Borrower in accordance with Clause 5;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Loan”	means the lump sum advance in the sum of <u>HK\$8,000,000.00</u> to be extended by the Lender to the Borrower or, depending on the context, the outstanding principal amount of such advance and, where the context permits, includes any part of it;
“Maturity Date”	means a date falling <u>18</u> months from the Extension Date;
“Potential Event of Default”	means any event or circumstance which, if it continued

after the giving of any notice, the expiry of any grace period and/or the making of any declaration by the Lender provided for in Clause 10, would become an Event of Default;

“Indebtedness”

means the Loan, Interest and all other indebtedness of the Financing Parties to the Lender arising under the Financing Agreements from time to time (including reasonable legal costs for enforcing this Agreement or any of the Financing Agreements on full indemnity basis) and, where the context permits, includes any part of it.

- 1.2 Except to the extent that the context requires otherwise, any reference in this Agreement to :
- 1.2.1 an **“agency”** of a state or government includes, at any particular time, any agency, authority, board, bureau, central bank, department, government, legislature, minister, ministry, official or public or statutory person (whether autonomous or not) of, or of the government of, that state or any political sub-division in or of that state;
 - 1.2.2 the **“assets”** of any person includes the whole or any part of its assets, business, property, revenues (including any right to receive revenues), rights and uncalled capital;
 - 1.2.3 **“borrowed money”** includes any indebtedness for or in respect of money borrowed or raised (whether for cash consideration or otherwise), by whatever means including acceptance credit, discounting, factoring, finance leases, guarantees, hire purchase, indemnities, sale and lease back and any other form of off-balance sheet financing, or for the deferred purchase price of assets or services (other than goods or services obtained on normal commercial terms in the ordinary course of trading);
 - 1.2.4 **“consent”** includes approval, authorisation, declaration, exemption, filing, licence, notarisation, order, permission or registration which shall be in writing (and references to obtaining consents shall be construed accordingly);
 - 1.2.5 a **“day”**, **“month”** or **“year”** shall be construed by reference to the Gregorian calendar;
 - 1.2.6 a **“directive”** includes any present or future directive, regulation, request requirement, rule or credit restraint programme of any agency of any state or of any Self-regulating organization (but, if not having the force of law, only if compliance with the directive is in accordance with the general practice of persons to whom the directive is intended to apply);

- 1.2.7 an “**encumbrance**” includes any charge, lien, mortgage, pledge or other encumbrance, security interest of any kind or any other type of preferential arrangement (including title or right transfer and retention arrangements) having a similar effect other than any lien arising by operation of law;
- 1.2.8 “**financial statements**” includes a balance sheet, a profit and loss account and the notes to the financial statements;
- 1.2.9 “**indebtedness**” includes any obligation (whether present or future, actual or contingent, secured or unsecured, as principal, surety or otherwise) for the payment or repayment of money
- 1.2.10 something having a “**material adverse effect**” on a person is to it having a material adverse effect (1) on its financial condition or business or on the consolidated financial condition or business of it and its subsidiaries or (2) on its ability to perform and comply with its obligations under any of the Financing Agreements to which it is a party;
- 1.2.11 an “**order**” includes any award or adjudication issued by any administrative tribunal, arbitral body, commission, court or judgment, mandatory injunction or order;
- 1.2.12 a “**subsidiary**” of a body corporate has the same meaning as prescribed in the Companies Ordinance (Chapter 622, Laws of Hong Kong);
- 1.2.13 “**tax**” or “**taxes**” includes any present or future charge, deduction, duty, fee, impost, levy, tax or withholding of any nature (including, without limitation, any penalty or interest payable in connection with any failure to pay or any delay in paying any of such tax or taxes); and
- 1.2.14 the “**winding up**”/“**bankrupt**” of a company/person also includes the administration, amalgamation, consolidation, dissolution, liquidation, merger, reconstruction or reorganization of that person and any equivalent or similar procedure under the law of any jurisdiction in which that person is domiciled, established, incorporated or resident or carries on business or has assets.
- 1.3 A reference to this Agreement or any other document includes any amendment, extension, renewal, replacement, supplement or variation, from time to time, of either of them or any provision in them on terms approved by the Lender.
- 1.4 A reference to any statute or statutory provision shall include any statute or statutory provision which amends or replaces it and any subordinate legislation to it.
- 1.5 Writing shall include facsimile, printing, telex messages, typewriting, and other modes of reproducing words in a legible form but shall not include email.

- 1.6 Reference to a time of the day is to Hong Kong time.
- 1.7 Unless the context otherwise requires words importing one gender include all other genders and words importing the singular include the plural and vice versa.
- 1.8 Clause headings do not form part of this Agreement and shall not be taken into account in its construction or interpretation.
- 1.9 References in this Agreement to any clause or sub-clause or schedule without further designation shall be construed as references to the clause or sub-clause of or schedule to this Agreement.
- 1.10 The Recital, Schedules and annexures form integral parts of this Agreement and shall be binding to the parties.
- 1.11 Any reference to a “**person**” includes natural persons and partnerships, firms and other such incorporated bodies, corporate bodies and all other legal persons of whatever kind and however constituted.
- 1.12 References to “**parties**” are references to the parties to this Agreement.
- 1.13 In this Agreement, the words “**include**”, “**includes**”, “**including**” and “**such as**” are to be construed as if they were immediately followed by the words “**without limitation**”.

2. The Loan

- 2.1 Subject to the terms of this Agreement, the Lender, relying on the representations, warranties, covenants and undertakings of each of the Financing Parties in the Financing Agreement, agrees to extend the Loan to the Borrower on the terms set out in this Agreement.

3. Conditions Precedent

- 3.1 The conditions precedent to the Lender making the Loan to the Borrower shall be the receipt by the Lender of the payments required under Clause 15.1 and the documents set out in Schedule 2 found to be reasonably satisfactory to it in form and substance.

4. Extension

- 4.1 Subject to the fulfillment of the conditions precedent as mentioned in Clause 3, the Borrower may extend the repayment term of the Loan on any Business Day during the

Availability Period if the following additional conditions are fulfilled:

- 4.1.1 the Lender has received a duly completed Extension Notice signed by the Borrower, 1 Business Day on or before the extension date of the Loan specifying the proposed date of the Loan;
 - 4.1.2 each of the representations and warranties set out in Clause 7 shall be true and accurate in all respects if repeated on the extension date of the Loan by reference to the facts and circumstances then existing;
 - 4.1.3 no Event of Default or Potential Event of Default has occurred on or before the extension date of the Loan or will occur as a result of extending the Loan; and
 - 4.1.4 the Lender has received at least 1 Business Day prior to the extension date of the Loan and found satisfactory such other certificate, consent, document, information or opinion as the Lender may reasonably require as a result of circumstances which have arisen or come to light since the date of this Agreement.
- 4.2 Extension Notice once given by the Borrower pursuant to Clause 4.1 is irrevocable and the Borrower shall be bound to borrow in accordance with it.
- 4.3 If for any reason the Loan is not extended down by the Borrower after a Extension Notice has been given pursuant to Clause 4.1, the Borrower will pay to the Lender such amount as necessary to compensate it for any expense or loss on account of funds borrowed, contracted for or utilized in order to fund such Loan.

5. Interest

- 5.1 Rate of interest applicable to the Loan shall be 12 % per annum.
- 5.2 Interest shall be paid by the Borrower to the Lender in arrears on the date falling every 6 months from the Extension Date and the Maturity Date. Notwithstanding anything in this Agreement to the contrary, if an Interest Payment Date would otherwise extend beyond the Maturity Date, it shall be shortened so that it ends on the Maturity Date.
- 5.3 Interest shall accrue daily and be calculated on the basis of the actual number of days lapsed and a 365-day year.
- 5.4 Interest shall be charged, calculated and payable on the Loan for the period from the Extension Date to the Repayment Date (including the Extension Date but excluding the Maturity Date) or the date when the Loan and/or any outstanding balance has been fully paid (whenever is the later) at the rate set out in clause 5.1.

6. Repayment and early repayment

- 6.1 The Borrower shall repay and/or settle the full amount of the Loan and the Interest (as defined and calculated in accordance with Clause 5 above) accrued thereon and (if any) any further sums owed by the Borrower to the Lender pursuant to the terms of this Agreement in the manner as set out in Schedule 4 hereto subject to the terms of this Agreement.
- 6.2 Unless otherwise agreed by the Lender in writing, all payment and repayment shall made by the Borrower to the Lender in immediately available funds, without any set-off, withholding and/or deduction.
- 6.3 Unless otherwise specified in this Agreement, all sums paid to the Lender by the Borrower in reduction of his indebtedness under this Agreement shall be applied first in or towards payment of any interest on the Loan then accrued and not paid and then in or towards repayment of the Loan.
- 6.4 The Borrower may at any time early repay the whole or any part of the Loan, provided that:
- 6.4.1 the Borrower shall have given prior written notice specifying the proposed amount and date of early repayment;
- 6.4.2 the amount of any partial early repayment of the Loan shall be in a minimum amount of HK\$100,000.00 and an integral multiple of HK\$100,000.00 ;
- 6.4.3 at the time of early repayment, the Borrower shall pay to the Lender all accrued Interests in respect of the sum prepaid and other sums then due and payable hereunder (if any) up to and including the date of early repayment; and
- 6.4.4 any amount early repay shall not be available for re-borrowing.
- 6.5 All early repayment shall be made together with accrued interest on the amount early repay and such other sum then due under any provision of the Financing Agreements.
- 6.6 The Lender shall be entitled to present each of the cheques as set out under Clause (I)(f) of Schedule 2 ("**Borrower's Cheques**") for payment at any time on or after the date specified on the relevant Borrower's Cheque. Notwithstanding the aforesaid, none of the Lender's rights under the Financing Agreements shall be affected whether or not the Lender actually presents any of the Borrower's Cheques for payment.
- 6.7 If the Indebtedness has been discharged in full, the Lender shall as soon as practicable return the Borrower's Cheques which have not been presented to the Borrower.

7. Representations and Warranties

7.1 Each of the Financing Parties represents and warrants to and for the benefit of the Lender as follows:

- 7.1.1 each of the Financing Parties (in the case of a body corporate) is a separate legal person duly established and existing under the laws of its place of incorporation or establishment, has the power to sue and be sued in its own name and has the power to own its assets and to conduct the business it is conducting;
- 7.1.2 each of the Financing Parties has the power to enter into, exercise its rights and perform and comply with its obligations under the Financing Agreements to which it is a party;
- 7.1.3 save for the registration of the securities under the Financing Agreements to be attended to, all actions, conditions and things required to be taken, fulfilled and done by each of the Financing Parties to enable it to enter into, exercise its rights and perform and comply with its obligations under the Financing Agreements to which it is a party have been taken, fulfilled and done;
- 7.1.4 it is not necessary in order to ensure the enforceability or validity of any of the Financing Agreements that it or any other document be filed or registered with any authority in Hong Kong;
- 7.1.5 the respective obligations of each of the Financing Parties under the Financing Agreements to which it is a party are valid, binding and enforceable;
- 7.1.6 the obligations of each of the Financing Parties under the Financing Agreements to which it is a party will rank at least equally and rateably in all respects with all other unsecured and unsubordinated indebtedness of each of such Financing Parties except those preferred solely by any applicable law;
- 7.1.7 none of the Financing Parties is in breach of or in default under any agreement to which it is a party or which is binding on it or any of its assets to an extent or in a manner which might have a material adverse effect on it;
- 7.1.8 no meeting has been convened for the winding up or bankruptcy (as the case may be) of any of the Financing Parties, no such step is intended by any of them and no order, application, petition or the like is outstanding for the winding up or bankruptcy of any of the Financing Parties or any of their respective holding companies or subsidiaries (if any);

- 7.1.9 no administrative, arbitration or litigation proceedings is presently in process, pending or (to its knowledge and belief) threatened against any of the Financing Parties which would have a material adverse effect on the relevant Financing Parties;
- 7.1.10 no Event of Default or Potential Event of Default has been or will be occurred;
- 7.1.11 the Financial statements of each of the Financing Parties delivered to the Lender (if any) were prepared in accordance with accounting principles generally accepted and applied in its place of incorporation or establishment;
- 7.1.12 since the relevant dates of such financial statements, there has been no material adverse change in the business or financial condition of any of the Financing Parties;
- 7.1.13 none of the Financing Parties had, as at the date as of which such financial statements were prepared, any indebtedness which were not disclosed by or reserved against in them;
- 7.1.14 all information supplied by it or on its behalf to the Lender in connection with the Loan, the Financing Agreements, itself and other Financing Parties is accurate, complete and true in all material respects;
- 7.1.15 each of the Financing Parties has accurately and fully disclosed to the Lender all its material liabilities (actual or contingent) as at the date of this Agreement;
- 7.1.16 save and except for those which have been disclosed, no encumbrance exists over all or any of its assets;
- 7.1.17 the entry into, exercise of rights and/or performance of and compliance with obligations by each of the Financing Parties under any of the Financing Agreements to which it is a party do not and will not:
 - (a) exceed or violate any borrowing or other power or restriction granted or imposed by:
 - (i) any agreement or other instrument to which it is a party or which is binding on it or any of its assets;
 - (ii) its constitutional documents (in the case of a body corporate); or
 - (iii) any applicable law, judicial or official order or regulation;
 - (b) the Financing Parties or any of them to lose the benefit of any right or privilege they or any of them presently enjoys or cause, to the detriment

of themselves or any of themselves, not to continue to do so on the same basis as previously;

- (c) relieve any person of any obligation to the Financing Parties or any of them (whether contractual or otherwise) or enable any person to determine any such obligation or any right or benefit enjoyed by the Financing Parties or any of them or to exercise any right whether under an agreement with or otherwise in respect of any of them;
- (d) result in any of the Financing Parties or any of their present or future indebtedness of becoming due or capable of being declared due and payable prior to its stated maturity;
- (e) give rise to or cause to become exercisable any right of pre-emption;
- (f) to the Financing Parties' best knowledge, adversely affect their or any of their relationships with their major clients, customers, suppliers or employees (where applicable); or
- (g) result in any revocation or suspension of any licence, permit or consent held by or granted to any of the Financing Parties;

7.1.18 all authorities required from any governmental or other authority or from any of the Financing Parties' creditors for or in connection with the execution, validity and performance of this Agreement have been obtained and are in full force and effect;

7.1.19 all accounting records, vouchers, invoices, ledgers, contracts and memoranda and all other accounting documents of the Financing Parties and records of all transactions thereof are in the possession of the Financing Parties and have been accurately and properly written up, kept and maintained in accordance with generally accepted accounting practice in the Hong Kong and together shows a true and fair view of the affairs and financial position of the Financing Parties;

7.1.20 there is no dispute with or, to any of the Financing Parties' knowledge having made all reasonable enquiries, any investigation proceedings by any revenue or official department in Hong Kong or any other parts of the world involving any of the Financing Parties;

7.1.21 all information supplied or provided (supplied or provided pursuant to Clause 8 below or otherwise) by the Financing Parties or any of them to the Lender in connection herewith is true, complete and accurate in all aspects and the Financing parties or any of them is not aware of any facts or circumstances that have not been disclosed to the Lender and which might, if disclosed, adversely affect the decision of a person considering whether or not to provide the Loan to the Borrower;

- 7.1.22 the entry into, exercise of its rights and performance of and compliance with its obligations by each of the Financing Parties in each of the Financing Agreements (and the transactions contemplated by the Financing Agreements) to which it is a party constitutes and will constitute private and commercial acts done, exercised and performed and complied with for private and commercial purposes and none of such Financing Parties nor any of its assets enjoys any right of immunity or privilege (sovereign or otherwise) from any attachment, execution, judgment, set-off, suit or other legal process; and
- 7.1.23 each of the representations and warranties in this Clause will remain accurate, irrevocable and true so long as any sum remains to be lent under this Agreement or any part of the Indebtedness remains to be discharged as if repeated then by reference to the then existing circumstances.
- 7.2 The Lender shall be entitled to claim that any of the representations and warranties given by the Borrower under this Clause 7 is or was untrue or misleading or has or had been breached even if the Lender have or could have discovered on or before draw down of the Loan that the representation or warranty in question was untrue, misleading or had been breached and draw down of the Loan by the Borrower shall in no way constitute a waiver of any of the Lender's rights under this Agreement.

8. Information

- 8.1 The Borrower shall, so long as any sum remains to be lent under this Agreement or any part of the Indebtedness remains to be discharged, promptly furnish the Lender with such financial or other information relating to it as the Lender may reasonably require from time to time.

9. Undertakings

- 9.1 The Financing Parties jointly and severally undertake with the Lender that so long as any sum remains to be lent under this Agreement or any part of the Indebtedness remains to be discharged, it shall, at their own costs:

- 9.1.1 promptly inform the Lender of:

- (a) the occurrence of any Event of Default or Potential Event of Default;
- (b) any administrative, arbitration or litigation proceedings which is brought or which, to its knowledge, is threatened against any of the Financing Parties and which in the Borrower's reasonable opinion would have a material adverse effect on the relevant Financing Parties; and

- (c) the occurrence of any event which, in the Borrower's reasonable opinion, would adversely affect the ability of any of the Financing Parties to fully perform their respective obligations under the Financing Agreements;
 - 9.1.2 promptly deliver to the Lender such information relating to itself, whether financial or otherwise, as the Lender may from time to time reasonably request;
 - 9.1.3 obtain every consent and do all other acts and things which may from time to time be necessary or desirable for the continued performance of its obligations under this Agreement;
 - 9.1.4 execute, do and perform or procure to be executed, done and performed by other necessary parties all such further acts, agreements, assignments, assurances, deed and documents as the Lender may reasonably require to effect this Agreement and the transactions contemplate hereunder;
 - 9.1.5 ensure that the obligations of each of the Financing Parties under the Financing Agreements to which it is a party at all times rank at least equally and rateably in all respects with all other unsecured indebtedness of each of such Financing Parties except those which are preferred solely by any applicable law; and
 - 9.1.6 punctually pay all sums due from it and otherwise comply with all its obligations under the Financing Agreements to which it is a party.
- 9.2 The Financing Parties, jointly and severally, further undertake with the Lender that so long as any sum remains to be lent under this Agreement or any part of the Indebtedness remains to be discharged, it shall not, without the prior consent of the Lender:
- 9.2.1 make any loan, grant any credit or give any guarantee to or for the benefit of any person or otherwise voluntarily assume any liability, (whether actual or contingent), in respect of any obligation of any other person except to any other companies which is a holding company of the Borrower or a subsidiary of a holding company of the Borrower;
 - 9.2.2 take any step with a view to bankruptcy or winding-up;
 - 9.2.3 enter into any agreement or take up any obligation which might have a material adverse effect on it; and
 - 9.2.4 incur any indebtedness for borrowed money (except as required by the Financing Agreements).

10. Events of Default

- 10.1 Each of the following events shall be an Event of Default:

- 10.1.1 any of the Financing Parties fails to pay in the manner provided in the Financing Agreements to which it is a party any sum payable when due;
- 10.1.2 any statement, representation, warranty or undertaking made by any of the Financing Parties in any of the Financing Agreements to which it is a party or in any notice or other document delivered under any of them is or proves to have been incorrect or misleading when made or repeated;
- 10.1.3 any of the Financing Parties fails to perform or comply with any of its other obligations under any of the Financing Agreements to which it is a party and, if that failure is capable of remedy and is not a failure to pay money, does not remedy such failure to the Lender's satisfaction within 14 days after receipt of notice from the Lender requiring it to do so;
- 10.1.4 any other indebtedness of the Borrower or any indebtedness relating to borrowed money of any other Financing Parties is not paid when due, is declared to be or otherwise becomes due and payable prior to its specified maturity or any encumbrance over any of its assets in respect of such indebtedness is or become enforceable;
- 10.1.5 any administrative, arbitration or litigation proceedings is current, pending or threatened against any of the Financing Parties or its holding companies or subsidiaries (if any) which proceedings the Lender in its reasonable opinion considers to have or likely to have a material adverse effect on any of the Financing Parties;
- 10.1.6 any of the Financing Parties is insolvent or unable to pay its debts as they fall due; suspend or threatens to suspend payment of all or a material part of its indebtedness; commences negotiations with any one or more of its creditors with a view to the general readjustment or rescheduling of its indebtedness or makes a general assignment, an arrangement or a composition with or for the benefit of its creditors;
- 10.1.7 a creditor takes possession of or any attachment, distress or execution or other legal process is enforced, levied or sued out on or against the whole or any part of the assets of any of the Financing Parties;
- 10.1.8 any of the Financing Agreements or any of its provisions ceases for any reason to be binding enforceable or valid or there is any dispute regarding the same or there is any purported termination of the same or it becomes impossible or unlawful for any Financing Parties to perform or comply with any of its obligations under any of the Financing Agreements to which it is a party or for the Lender to exercise all or any of its powers, remedies and rights under any of the Financing Agreements;

- 10.1.9 any event or circumstance arises which the Lender in its reasonable opinion considers to give reasonable grounds for believing that a material adverse effect has occurred on any of the Financing Parties;
 - 10.1.10 any of the Financing Parties is in default of any obligations under another lending arrangement that it/he has entered into;
 - 10.1.11 any of the Financing Parties' obligation(s) under any collateral security that it/he is a party has become enforceable or materialised;
 - 10.1.12 any consent obtained for the performance of or compliance by any Financing Parties of or with its obligations under any of the Financing Agreements to which it is a party is withdrawn or otherwise ceases to be in full force and effect;
 - 10.1.13 an effective resolution is passed for, an order is made, a petition is presented, a proceeding is commenced or any step is taken by any person with a view to the bankruptcy or winding-up of any of the Financing Parties;
 - 10.1.14 there develops, occurs, exists or comes into effect any situation which in the sole opinion of the Lender may affect the ability of any of the Financing Parties to perform its/his obligations hereunder.
- 10.2 At any time after an Event of Default has occurred and whether or not such Event of Default is continuing, the Lender may by notice to the Borrower declare the Loan, all unpaid accrued interest and fees and any other sum then payable under the Financing Agreements to be immediately due and payable.

11. Default Interest

- 11.1 Subject to the provisions of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), if the Borrower fails to repay the Loan or any part thereof or any Interest, in each case, on the due date of payment or repayment as referred to in this Agreement, the Borrower shall pay interest on such sum from the date immediately following such due date of payment or repayment to the date of actual payment or repayment (both days inclusive) (as well after as before judgment) at the Interest ("Default Interest"). The Default Interest shall accrue daily, shall be calculated on the basis of actual number of days lapsed and a 365-day year and shall be payable from time to time on demand by the Lender.
- 11.2 For the purpose of this Clause, if any payment is received by the Lender on the due date but after the time required by Clause 13.1 that payment shall be deemed to be received on the next Business Day.

12. Indemnities

- 12.1 The Financing Parties shall, jointly and severally, indemnify and keep indemnified the Lender in full against all costs and expenses incurred by it in connection with the enforcement of, or the preservation of any rights under this Agreement including, without limitation, all costs and expenses incurred by it for engaging legal advisers or other agents in relation to the recovery of amounts payable under this Agreement or the protection or enforcement of the Lender's rights or interests hereunder.
- 12.2 Without prejudice to Clause 12.1 above, the Financing Parties shall also, jointly and severally, indemnify the Lender against any reasonable cost, claim, expense, liability or any loss (including, without limitation, loss sustained due to funding costs of the Loan and exchange loss) which it may sustain or incur as a result of:
- 12.2.1 the Loan not being made by reason of non-fulfillment of any of the conditions in Clause 3 or Clause 4.1;
 - 12.2.2 the Borrower failing to drawdown the Loan after issuing a Drawdown Notice;
 - 12.2.3 the occurrence or continuance of any Event of Default or Potential Event of Default; or
 - 12.2.4 any payment not being made on the due date and in accordance with Clause 13.
- 12.3 Currency Exchange (Indemnity):
- 12.3.1 Dollars is the sole currency of account and payment for all sums at any time payable by the Financing Parties under or in accordance with the Financing Agreements, including damages, if any.
 - 12.3.2 Any amount received or recovered in a currency other than Dollars (whether as a result of, or of the enforcement of a judgment or an order of a court of any jurisdiction, in the winding-up of any of the Financing Parties or otherwise) by the Lender in respect of any sum expressed to be due to it from that Financing Parties under any of the Financing Agreements to which it is a party shall only constitute a discharge to that Financing Parties to the extent of the Dollars amount ("Amount") which the Lender is able, in accordance with its usual practice, to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).
 - 12.3.3 If the Amount is less than the Dollars amount expressed to be due to the Lender under the relevant Financing Agreement, the Financing Parties shall, jointly and severally, indemnify the Lender against any loss suffered by it as a result. In any event, the Financing Parties shall, jointly and severally, indemnify the Lender against the cost of making any such purchase. For the purpose of this Clause, it

will be sufficient for the Lender to demonstrate that it would have suffered a loss had an actual exchange or purchase been made.

- 12.4 Each of the indemnities in this Agreement constitutes a separate and independent obligation from the other obligations in this Agreement, shall give rise to a separate and independent cause of action, shall apply irrespective of any indulgence granted by the Lender and shall continue in full force and effect despite any judgment, order, claim or proof for a liquidated amount in respect of any sum due under any of the Financing Agreements or any other judgment or order.

13. Payments

- 13.1 On each date which any sum is due from the Borrower, it shall pay it in Dollars and in immediately available funds to the Lender by 11:00 a.m. (Hong Kong time) on such date or by such other means of payment as the Lender may specify from time to time.
- 13.2 Notwithstanding any provision in this Agreement, if the amount received by the Lender on any date is less than the total amount of the Indebtedness on that date, the Lender shall have the absolute right of appropriation to apply that amount in or towards payment of such part of that total sum in such manner as it thinks fit.
- 13.3 All payment by the Borrower or any of the Financing Parties under any of the Financing Agreements to which it is a party shall be made without any set-off or reference to counterclaim and shall be made free and clear of and without any deduction for or on account of any set-off or counterclaim.
- 13.4 Any payment to be made by the Borrower or any of the Financing Parties on a day which falls on a non-Business Day (except the Maturity Date) shall instead be due on the Business Day immediately preceding that day. If the Maturity Date falls on a non-Business Day, it shall be postponed to the Business Day immediately following that day.

14. Lender's Right to Set-off

- 14.1 The Financing Parties and each of them hereby authorises the Lender to apply (without its consent or notice to it) any credit balance (whether or not then due) to which it is at any time beneficially entitled on any account at, any sum held to its order by and/or any liability of, any office of the Lender in or towards satisfaction of any sum then due from it to the Lender under the Financing Agreements and unpaid and, for that purpose, to convert one currency into another (but so that nothing in this Clause shall be effective to create a charge).
- 14.2 The Lender shall not be obliged to exercise any of its rights under Clause 14.1 which shall

be without prejudice and in addition to any right of combination of accounts, lien, set-off or other right to which it is at any time otherwise entitled (whether by operation of law, contract or otherwise).

15. Fees, Costs and Expenses

- 15.1 The Borrower and/or any of the Financing Parties shall pay to the Lender on demand all fees agreed to be paid to the Lender together with all costs and expenses (including, without limitation, legal fees on a full indemnity basis and travelling expenses) reasonably incurred by the Lender in connection with the negotiation preparation and execution of the Financing Agreements and the completion of the transactions contemplated in them.
- 15.2 The Borrower and/or any of the Financing Parties shall pay to the Lender on demand all costs and expenses (including legal fees on a full indemnity basis) reasonably incurred in or in connection with the preservation and/or enforcement of any of its rights under the Financing Agreements.
- 15.3 The Borrower and/or any of the Financing Parties shall promptly pay all registration fees and other taxes and levies payable on the Financing Agreements or any judgment given in connection with any of the Financing Agreements.

16. Taxes

- 16.1 All payment by the Borrower and/or any of the Financing Parties under the Financing Agreements shall be made free and clear of and (except to the extent required by law) without any deduction or withholding for or on account of any tax (except for tax on the Lender's overall net income).

17. Illegality

- 17.1 If at any time the Lender determines that it is or will become unlawful or contrary to any directive for the Lender to make available, fund or allow to remain outstanding all or any part of the Loan and/or to carry out all or any of its other obligations under the Financing Agreements, then within 14 days from the receipt of a notice from the Lender, the Borrower shall prepay all (but not part) of the Loan on demand together with all unpaid accrued interest and any other sum then due to the Lender under any provision of the Financing Agreements.

18. Increased costs

- 18.1 If the Lender determines that, as a result of any change in or application of, or in the

interpretation of any law or the Lender's compliance with any government regulations or directives (including but not limited to any regulations and directives affecting the method of capital requirement maintenance of the Lender in respect of its obligations under this Agreement):

- 18.1.1 the Lender incurs an increased cost in providing the Loan;
- 18.1.2 the amount of any payment received or receivable by the Lender under the Financing Agreements is reduced (excluding any reduction due to tax on its overall net income); and
- 18.1.3 the Lender is obliged to make any payment or to forego the receipt of any interest or other benefit (except for payments resulting from tax on its overall net income) in respect of this Agreement or any of the Financing Agreements,

the Borrower shall pay to the Lender, whenever so demanded, such additional amount as the Lender may certify to be necessary to compensate it for such increased cost, reduction, loss of interest or other benefit.

19. Assignment

- 19.1 This Agreement shall bind the parties, their respective successors and any permitted assignee or transferee. Any reference in this Agreement to any party shall be construed accordingly.
- 19.2 The Borrower must not assign or transfer any of its obligations or rights under any of the Financing Agreements to which it is a party.
- 19.3 The Lender may at any time assign to any person which shall be a licensed bank or licensed money lender ("the Assignee Lender") all or any of its obligations and rights under the Financing Agreements and/or create an encumbrance over them in favour of such person by notice to the Borrower. The Assignee Lender shall have the same benefits, obligations and rights of the Lender as if it were an original party to the Financing Agreements.
- 19.4 The Lender may disclose on a confidential basis to a potential assignee, participant, transferee or any other person proposing to enter into contractual arrangements with the Lender in relation to the Financing Agreements such information as it may think fit, including, without limitation, information about any of the Financing Parties and their respective assets, businesses, financial conditions and the transactions contemplated in the Financing Agreements, as it may think fit, whether such information has been made available pursuant to the Financing Agreements or otherwise.

20. Evidence and Determination

- 20.1 A certificate or a written memorandum signed by the Lender or its officers about a matter or a sum payable to the Lender in connection with any of the Financing Agreements to which the Borrower is a party is conclusive evidence of the matter or sum stated in the certificate except manifest errors.
- 20.2 In any Financing Agreement, any determination as to whether any circumstance, event, matter or situation is “appropriate”, “material”, “necessary”, “reasonable”, “satisfactory” or “substantial” shall be made by the Lender, whose determination shall be binding and conclusive on the Borrower.

21. Remedies and Waivers

- 21.1 The Lender may exercise a power, remedy or right under any of the Financing Agreements at its discretion and concurrently or separately with another power, remedy or right. A single or partial exercise of a power, remedy or right by the Lender under any of the Financing Agreements does not prevent a further exercise of it or an exercise of any other power, remedy or right. The powers, remedies and rights provided in the Financing Agreements are cumulative and not exclusive of any power, remedy or right provided by law.
- 21.2 Failure by the Lender to exercise or delay in exercising a power, remedy or right under any of the Financing Agreements shall not prevent its exercise and shall not be or operate as a waiver of it.

22. Partial Invalidity

- 22.1 The illegality, invalidity or unenforceability of any provision of the Financing Agreements under the law of any jurisdiction shall not affect the legality, validity or enforceability of such provision under the law of any other jurisdiction nor the legality, validity or enforceability of any other provision of the Financing Agreements.

23. Notices

- 23.1 Each consent, demand, notice or other communication to be made under the Financing Agreements to which the Borrower is/are party (collectively “notice”):
- 23.1.1 shall be in writing; and
- 23.1.2 shall be left at the address of the addressee or sent by prepaid registered post (airmail if posted to or from a place outside Hong Kong) to the address of the addressee or sent by facsimile to the facsimile number of the addressee set out

below or if the addressee notifies another address or facsimile number then to that address or facsimile number:

Lender:

Address: 2301B, 23rd Floor, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong

Contact Person: Chan Chiu Mui

Fax No.: ---

Borrower:

Address: Suite 2703, 27/F Shui On Centre, No. 6-8 Harbour Road, Wan Chai Hong Kong

Email: ---

Fax No.: ---

23.2 Unless a later time is specified in it, a notice is taken to be received:

23.2.1 in the case of a posted letter, on the 5th (14th, if posted to or from a place outside Hong Kong) Business Day after posting; and

23.2.2 in the case of a facsimile, at the time the facsimile was sent in its entirety to the facsimile number of the recipient notified for the purpose of this Clause 23, which proof shall be sufficient on production of a transmission report by the machine from which the facsimile was sent.

23.3 Each notice may, unless otherwise required by law, be written in Chinese or in English.

24. Memorandum

24.1 If applicable, the note or memorandum required under Section 18 of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) is set out in Schedule 3 hereto, which shall form part of this Agreement.

25. Entire Agreement

25.1 The Financing Agreements constitute the entire obligation of the Lender in relation to the Loan and shall supersede all previous agreements or understandings, either express or implied, whether oral or in writing between the Financing Parties or any of them and the Lender in respect of the Loan.

26. General

- 26.1 Any present or future legislation which operates to vary the obligations of the Borrower in connection with the Financing Agreements to which it is a party with the result that the Lender's powers, remedies or rights are adversely affected is excluded except to the extent that its exclusion is prohibited or rendered ineffective by law;
- 26.2 The Lender may give conditionally or unconditionally or withhold its consent in its absolute discretion under any of the Financing Agreements.
- 26.3 Time is of the essence in the Financing Agreements to which the Borrower and/or the Guarantor is a party in respect of its obligations.
- 26.4 At the Lender's request the Borrower shall, at its own expense:
- 26.4.1 execute and procure its successors to execute documents and do everything else necessary or appropriate to bind the Borrower and its successors under the Financing Agreements to which it is a party; and
 - 26.4.2 procure any other person to do likewise to bind such person intended to be bound under the Financing Agreements.

27. Law and Jurisdiction

- 27.1 This Agreement shall be governed by and construed according to the law of Hong Kong and the Borrower hereto irrevocably submit to the exclusive jurisdiction of the courts of Hong Kong.
- 27.2 Nothing in this Clause shall not and shall not be construed so as to limit the right of the Lender to institute legal action or proceedings ("**Proceedings**") against the Borrower in any other court of competent jurisdiction nor shall the institution of Proceedings in one or more jurisdictions preclude the Lender from instituting Proceedings in any other jurisdiction, whether concurrently or not.
- 27.3 The Borrower irrevocably waive any objection which it may at any time have to the laying of the venue of any Proceedings in any court referred to in this Clause and any claim that any such Proceedings have been brought in an inconvenient forum.
- 27.4 The Borrower irrevocably agree that if the Lender institutes any Proceedings anywhere (whether for an injunction, damages, specific performance or otherwise), no immunity (to the extent that it may at any time exist, whether on the ground of sovereignty or otherwise) from those Proceedings, from attachment (whether before judgment, in aid of execution or otherwise) of its assets or from execution of judgment shall be claimed by it or on its behalf or with respect to its assets.

Schedule 1

Form of Extension Notice

Date : 11-March-2024

To : **YELLOW RIVER CONSULTANTS SERVICES LIMITED** (黃河顧問服務有限公司)
2301B, 23rd Floor
China Insurance Group Building
141 Des Voeux Road
Central, Hong Kong

HK\$8,000,000.00 Loan Agreement dated 15 - February - 2023(dd-mmm-yyyy) ("Loan Agreement")

We refer to the Loan Agreement between us as Borrower and yourselves as Lender and:

1. give you notice that we wish to extend the repayment term of the Loan in the amount of HK\$8,000,000.00 to 15th August 2025 (date);
2. we agree to increase the annual interest rate of the loan from 7% to 12%;
3. confirm that all representations and warranties in Clause 7 of the Loan Agreement are true and accurate if repeated today by reference to the circumstances now existing; and
4. no Event of Default or Potential Event of Default referred to in the Loan Agreement has occurred, or will occur as a result of making the Loan or for any other reasons.

Terms defined in the Loan Agreement have the same meanings when used in this Extension Notice.



Volcano Spring International Holdings Limited
(formerly known as: Miji International Holdings Limited)

Schedule 2

Conditions precedent documents

- I. In relation to the Borrower:
 - (a) certified true copy by its director, its certificate of incorporation;
 - (b) certified true copy by its director, its latest business registration certificate;
 - (c) certified true copy by its director, its memorandum and articles of association;
 - (d) certified true copy by its director, its address proof (issued within last 3 months)
 - (e) certified true copy by its director, resolution of its Board of Directors approving the terms of any Financing Agreement to which it is a party and authorizing a person or persons to execute each of the Financing Agreements to which it is a party (and where required, to affix the common seal of the Borrower) and other documents required in connection with any Financing Agreement to which it is a party;
 - (f) disclosure of existence of third parties;
 - (g) Acknowledgement of receipt of a note issued by the Lender in compliance with the requirements of section 18(1) of the Money Lenders Ordinance duly signed by the Borrower; and
- II. In relation to the Financing Agreement:
 - (a) this Agreement, executed by the parties (except the Lender) and all notices and all other documents required to be delivered under it;
- III. All other documents relating to the Financing Agreements which the Lender considers necessary.

Schedule 3

1. **Name and address of the Lender**

YELLOW RIVER CONSULTANTS SERVICES LIMITED (黃河顧問服務有限公司), whose registered office is situated at 2301B, 23rd Floor, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong (“the Lender”)

2. **Name and address of the Borrower**

Volcano Spring International Holdings Limited (火山邑動國際控股有限公司) (formerly known as **Miji International Holdings Limited (米技國際控股有限公司)**), a company incorporated in the Cayman Island with limited liability, whose registered office is situated at Windward 3, Regatta Office Park PO Box 1350, Grand Cayman KY1-1108, Cayman Islands (“Borrower”)

3. **The amount of the principal of the Loan**

HONG KONG DOLLARS EIGHT MILLION ONLY (HK\$8,000,000.00)

4. **Date of making of the Agreement**

05-03-2024 (date)

5. **Date of extension of the Loan**

15-02-2024 (date)

6. **Terms of repayment of the Loan**

Interest accrued on the Loan shall be paid on the following dates:

- (i) the same calendar date falling on the 6th month after the Drawdown Date (or if that day is not a business day in Hong Kong, the immediately following business day); and
- (ii) the Maturity Date.

7. **Interest Rate**

12 % per annum

8. **Declaration as to the place of negotiation and completion of the agreement for the Loan**

2301B, 23rd Floor, China Insurance Group Building, 141 Des Voeux Road Central, Hong Kong

9. **A summary of the provisions of Part III and Part IV of the Money Lenders Ordinance**

As required under Section 18(1)(b) of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong), a copy of Summary of the provisions of Part III and Part IV of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) per Schedule 3 of the Money Lenders Regulations is attached.

Schedule 4


Repayment Schedule

Loan Amount : HK\$8,000,000.00
Extension Date : 15-February-2024 (dd-mmm-yyyy)
Term : 18 months
Interest Rate : 12 % per annum

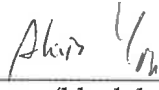
	<u>Payment Date</u>	<u>Repayment Amount (HK\$)</u>	<u>Principal Payment (HK\$)</u>	<u>Interest Payment (HK\$)</u>	<u>Outstanding balance (HK\$)</u>
1.	15-Aug-2024	480,000.00	-	480,000.00	8,000,000.00
2.	15-Feb-2025	480,000.00	-	480,000.00	8,000,000.00
3.	15-Aug-2025	8,480,000.00	8,000,000.00	480,000.00	-

IN WITNESS whereof this Agreement has been executed on the day and year first above written.

SIGNED by
being authorized signatory of the Lender,
**YELLOW RIVER CONSULTANTS
SERVICES LIMITED**
in the presence of:



Signature of witness



Name of witness (block letters)

HKID No.:

Address/Identity Card No. of witness

)

)

)

)

)

)

)

)

)

)

)

)


)

)

)

)

)



Signature of authorized person

Name of authorized person (block letters)

Authorized Person

Office held


By executing this Agreement the authorized
person is duly authorized to execute this
Agreement on behalf of the Lender

SIGNED by
being signatory of the Borrower,
Volcano Spring International Holdings Limited

(Name of Borrower)


in the presence of:


Signature of witness


Name of witness (block letters)


HKID No.:

Address/Identity Card No. of witness


Signature of the Borrower

Volcano Spring International Holdings
Limited

Name of the Borrower


Name of signor

I, being the Borrower under this Agreement, hereby acknowledge that I have received a duplicate of this Agreement (together with the Schedule and Annexure hereto) as well as a copy of summary of the provisions of Part III and Part IV of the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong) as set out in Schedule 3 of the Money Lenders Regulations (Chapter 163A of the Laws of Hong Kong) upon the execution hereof.


Volcano Spring International Holdings Limited
(formerly known as: Miji International Holdings Limited)