

DATE: 21 JANUARY 2025

**Liang Zihao
Wu Yanyan
(as Creditors)**

and

**CORNERSTONE TECHNOLOGIES HOLDINGS LIMITED
(as Debtor)**

DEED OF SETTLEMENT OF DEBT

THIS DEED OF SETTLEMENT OF DEBT is dated 21 January 2025

BETWEEN:

- (1) **Liang Zihao**, holder of Antiguan and Barbudan passport no. AB028826 of Room B, 26/F., West Gate Tower, 7 Wing Hong Street, Kowloon, Hong Kong (“**Party (A)**”);
- (2) **Wu Yanyan**, holder of HKID number R371613(8), of Room 30C, The Cullinan, Luna Sky, 1 Austin Road, Kowloon, Hong Kong (“**Party (B)**”); and
- (3) **CORNERSTONE TECHNOLOGIES HOLDINGS LIMITED** (previously known as Elegance Commercial and Financial Printing Group Limited), a company incorporated in the Cayman Islands and having its principal place of business in Units 1107-1111, 11th Floor, New East Ocean Centre, No. 9 Science Museum Road, Kowloon (the “**Company**”).

WHEREAS:

- (A) As at the date hereof, the Company has an authorised share capital of HK\$1,000,000,000 divided into 100,000,000,000 Shares, of which 953,575,399 Shares have been issued and are fully paid up or credited as fully paid. The issued Shares are listed and traded on the GEM of the Stock Exchange.
- (B) As at the date hereof, the Debtor (as defined below) owes each one of the Creditors (as defined below) the amount as set out on Schedule I hereto.
- (C) The Creditors have individually and collectively agreed that the Company (Debtor) repays the Debts (as defined below) by way of issuing Subscription Shares (as defined below) under Specific Mandate to the Creditors for the purpose of capitalizing the entire amount of Debts due to the Creditors from the Company (Debtor).

NOW, in consideration of the premises set forth above, the mutual promises and covenants set forth herein and other good and valuable consideration, the parties hereto hereby agree as follows:

1. INTERPRETATION

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

“ Articles of Association ”	the articles of association for the time being of the Company;
“ Business Day ”	any day on which the Stock Exchange is open for business to deal in securities;
“ Completion ”	completion of the Subscription in accordance

	with Clause 6 of this Deed;
“Completion Date”	the date within ten 10 Business Days after the date of fulfillment of the conditions in Clause 4.1;
“Creditors”	collectively Party (A) and Party (B) and the term “Creditor” shall mean any of them;
“Debtor”	the Company;
“Debts”	collectively Debt (A) and Debt (B) and the term “Debt” shall mean any of them;
“Debt (A)”	the amount of Debt owed by the Debtor to Creditor (A) as set out in Schedule I hereto as at the date hereof;
“Debt (B)”	the amount of Debt owed by the Debtor to Creditor (B) as set out in Schedule I hereto as at the date hereof;
“Directors”	directors of the Company;
“EGM”	the extraordinary general meeting of the Company to be held to approve, among other things, this Deed, the Specific Mandate and the transactions contemplated thereunder;
“GEM”	GEM operated by the Stock Exchange;
“GEM Listing Rules”	means the Rules Governing the Listing of Securities on the GEM of the Stock Exchange;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Parties”	the parties to this Deed and the term “Party” shall mean any of them;
“SFC”	Securities and Futures Commission of Hong Kong;
“Shares”	ordinary shares of HK\$0.01 each in the share capital of the Debtor;
“Specific Mandate”	the specific mandate approved by the shareholders of the Company at the EGM which authorises the Directors to allot, issue

	and deal with the Subscription Shares;
“Stock Exchange”	The Stock Exchange of Hong Kong Limited;
“Subscriptions”	the subscriptions for the Subscription Shares by the Creditors upon the terms and subject to the conditions of this Deed;
“Subscription Price”	a subscription price of HK\$0.50 per Subscription Share;
“Subscription Shares (A)”	the number of Shares to be issued and allotted by the Debtor to Creditor (A) as set out in Schedule II hereto;
“Subscription Shares (B)”	the number of Shares to be issued and allotted by the Debtor to Creditor (B) as set out in Schedule II hereto;
“Subscription Shares”	collectively Subscription Shares (A), and Subscription Shares (B) and the term “Subscription Shares” shall mean any of them
“this Deed”	this Deed for the Subscriptions, as amended from time to time;
“HK\$”	Hong Kong dollars, the lawful currency for the time being of Hong Kong; and
“%”	per cent.

2. **ACKNOWLEDGMENT OF DEBT**

- 2.1 The Debtor agrees and acknowledges that it is indebted to each one of the Creditors relevant amount of the Debt as set out on Schedule I hereto.

3. **SUBSCRIPTIONS OF SUBSCRIPTION SHARES FOR CAPITALIZING THE ENTIRE AMOUNT OF THE DEBTS**

- 3.1 In consideration of Creditor (A) agreeing to enter into this Deed with the Debtor, the Debtor shall issue and allot the relevant number of Subscription Shares (A) as set out in Schedule II hereto, credited as fully paid at the Subscription Price subject to the Articles of Association, for the purpose of capitalizing the entire amount of Debt (A) due to Creditor (A) from the Debtor. The Subscription Shares (A) shall rank pari passu in all respects among themselves and with all the Shares in issue on the date of allotment and issue of the Subscription Shares (A).

- 3.2 In consideration of Creditor (B) agreeing to enter into this Deed with the Debtor, the Debtor shall issue and allot the relevant number of Subscription Shares (B) as set out in Schedule II hereto, credited as fully paid at the Subscription Price subject to the Articles of Association, for the purpose of capitalizing the entire amount of Debt (B) due to Creditor (B) from the Debtor. The Subscription Shares (B) shall rank pari passu in all respects among themselves and with all the Shares in issue on the date of allotment and issue of the Subscription Shares (B).

4. CONDITIONS PRECEDENT

- 4.1 Completion is conditional upon the fulfilment or waiver (as the case may be) of the following conditions:
- (a) the Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Subscription Shares and such approval has not been revoked prior to Completion;
 - (b) the passing of the resolution(s) at the EGM by the Independent Shareholders to approve the Deed and the transactions contemplated thereunder, including the grant of the Specific Mandate for the allotment and issue of the Subscription Shares;
 - (c) the necessary consents and approvals in relation to this Deed and the transactions contemplated thereunder having been obtained; and
 - (d) the representation and warranties given by the Company under the Deed remaining true and accurate in all material respects and are not misleading as at the date of this Deed and the date of Completion.
- 4.2 Except that the Creditors have the right to waive condition referred to in (d) above, none of the above conditions can be waived by any Party. If the above conditions are not fulfilled or waived (as the case may be) by 5:00 p.m. on 30 June 2025 (or such other date as the Parties may agree in writing), this Deed will be automatically terminated and lapsed and none of the parties to the Deed shall have any claim against the other in respect of the Subscriptions, save for any antecedent breaches thereof.

5. WARRANTIES

- 5.1 The Debtor hereby warrants, represents and undertakes to the Creditors that:
- (a) it has full and requisite power and is authorised to enter into and perform this Deed and this Deed constitutes or will, when executed, constitute legal, valid and binding obligations on the Debtor in accordance with its terms;
 - (b) the Subscription Shares shall be issued and allotted pursuant to the Specific Mandate granted by the shareholders of the Company at the EGM;
 - (c) the allotment, issue and delivery of the Subscription Shares will be duly

authorised by all requisite corporate action and will not violate the Articles of Association; and

- (d) the Subscription Shares will be duly authorised and, when allotted and issued in accordance with this Deed, will:
 - (i) be validly issued and fully paid Shares;
 - (ii) be free and clear of all liens, charges, restrictions, claims and encumbrances; and
 - (iii) rank pari passu with all issued Shares as at the date of such allotment and issue and have the rights, privileges and limitations specified in the Articles of Association.

5.2 The Warranties contained in Clause 5.1 are true, complete and accurate in all respects as at the date of this Deed and will continue to be so up to the time of Completion.

6. COMPLETION

6.1 Completion shall take place on the Completion Date at 5:00 p.m. The Subscriptions amount payable by the Creditors shall be satisfied by capitalizing the entire amount of Debts due to the Creditors from the Debtor.

6.2 The Debtor shall:

- (i) allot and issue, credited as fully paid, to the Subscriber (or its nominee(s)) the Subscription Shares and shall procure that the Subscriber (or its nominee(s)) is registered on the branch register of members of the Company in Hong Kong as the registered holder of the Subscription Shares; and
- (ii) deliver to the Subscriber (or its nominee(s)):
 - (1) definitive share certificate(s) for the Subscription Shares in such denomination as the Subscriber may request issued in the name of the Subscriber (or its nominee(s)) and in accordance with instructions given in the application to be delivered by the Subscriber;
 - (2) copy, certified as true and complete by a director of the Debtor of resolutions of the board of directors of the Debtor approving:
 - (aa) this Deed and authorising a person or persons to execute the same (under seal, where appropriate) for or on its behalf; and
 - (bb) the allotment and issue of the Subscription Shares in accordance with the terms and conditions of this Deed.

7. FURTHER ASSURANCE

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

8. NOTICES

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

To the Company

Address: Units 1107 - 11, 11th Floor, New East Ocean Centre, No. 9 Science Museum Road, Kowloon, Hong Kong

Email: desmond.ng@elegancehk.com
dickson.chu@apec-capital.com

Attention: Mr. Desmond Ng/ Mr. Dickson Chu

To Party (A)

Address: Room B, 26/F., West Gate Tower, 7 Wing Hong Street, Kowloon, Hong Kong

Attention: Mr. Liang

To Party (B)

Address: Room 30C, The Cullinan, Luna Sky, 1 Austin Road, Kowloon, Hong Kong

Attention: Ms. Wu

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

9. CONFIDENTIALITY AND ANNOUNCEMENTS

- 9.1 Each of the parties undertakes to the others that it will not, at any time after the date of this Deed, divulge or communicate to any person other than to its professional advisers, or when required by law or any rule of any relevant stock exchange body, or to its respective officers or employees whose province it is to know the same any confidential

information concerning the business, accounts, finance or contractual arrangements or other dealings, transactions or affairs of any of the others which may be within or may come to its knowledge and it shall use its best endeavours to prevent the publication or disclosure of any such confidential information concerning such matters.

- 9.2 No public announcement or communication of any kind shall be made in respect of the subject matter of this Deed unless specifically agreed between the parties or unless an announcement is required pursuant to the GEM Listing Rules, the applicable laws and regulations or the requirements of the Stock Exchange, the SFC or any other regulatory body or authority. Any announcement by any party required to be made pursuant to the GEM Listing Rules, any relevant laws or regulations or the requirements of the Stock Exchange, the SFC or any other regulatory body or authority shall be issued only after such prior consultation with the other party as is reasonably practicable in the circumstances.

10. MISCELLANEOUS

- 10.1 Time shall be of the essence of this Deed.
- 10.2 No provisions hereof may be amended, waived, discharged or terminated orally, but only by an instrument in writing signed by the parties hereto.
- 10.3 This Deed sets out the entire Deed between the parties hereto and supersedes any other commitments, Deeds, warranties or understandings, written or verbal, that the parties hereto may have had with respect to the subject matter of this Deed.
- 10.4 If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect, the remaining provisions hereof shall in no way be affected or impaired thereby.
- 10.5 This Deed shall be binding on and ensure for the benefit of the successors of each of the parties hereto and shall not be assignable.

11. THIRD PARTY RIGHTS

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

12. GOVERNING LAW AND JURISDICTION

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

Schedule I

Amount of Debts owed by the Debtor (or Company) to the Creditors

No.	Creditors	Amount of Debts owed by the Debtor (or Company) to the Creditors
1	Party (A)	HK\$1,027,781
2	Party (B)	HK\$14,995,223

Total: HK\$16,023,004

Schedule II

Number of Subscription Shares to be issued and allotted by the Debtor (or Company) to the Creditors for repayment of the Debt

No.	Creditors	Amount of Debt owed by the Debtor (or Company) to the Creditors	Number of Subscription Shares to be issued and allotted by the Debtor (or Company) to the Creditors at an issue price of HK\$0.50 per share for repayment of the Debt in full
1	Party (A)	HK\$1,027,781	2,055,562
2	Party (B)	HK\$14,995,223	29,990,446

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

THE COMPANY

SEALED with the Common Seal of)

Cornerstone Technologies Holdings)

Limited and **SIGNED** by)

LI Man Keung Edwin its director and)

CHU Pui Ki Dickson its secretary)



in the presence of:)

YEUNG Pui Yee Holly)



Party A

SIGNED SEALED and DELIVERED)
by **Liang Zihao**)
in the presence of : -)



CHU Pui Ki Dickson



Party B

SIGNED SEALED and DELIVERED)

by **Wu Yanyan**)

in the presence of : -)



Vincent Yip

