

Dated the 9th day of September 2024

VALUE CONVERGENCE HOLDINGS LIMITED
as Company

AND

VC BROKERAGE LIMITED
as Placing Agent

PLACING AGREEMENT
relating to
2-Year 2% Coupon
Unsecured Convertible Bonds
in the aggregate principal amount of
up to HK\$30,000,000
issued by
VALUE CONVERGENCE HOLDINGS LIMITED

THIS PLACING AGREEMENT is made on the 9th day of September 2024

BETWEEN

- (1) **VALUE CONVERGENCE HOLDINGS LIMITED**, a company incorporated in Hong Kong with limited liability with Business Registration No. 30561244 and having its registered office situate at 6th Floor, Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong (the “**Company**”)

AND

- (2) **VC BROKERAGE LIMITED**, a company incorporated in Hong Kong with limited liability with Business Registration No. 15499921 and having its registered office is at 6th Floor, Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong (the “**Placing Agent**”)

WHEREAS:

- (A) The Company has, as at 31 August 2024, issued and allotted 2,473,523,040 Shares (as defined below), all of which are fully paid up or credited as fully paid up.
- (B) The issued Shares are currently listed on The Stock Exchange of Hong Kong Limited (Stock Code: 821).
- (C) The Placing Agent is licensed by the SFC to carry on and conduct Regulated Activities Type 1 (dealing in securities) and Type 4 (advising on securities) under and pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong).
- (D) The Company proposes to offer for subscription, and the Placing Agent has agreed to procure subscriptions for, the Convertible Bonds on a best effort basis on the terms and subject to the conditions hereinafter mentioned.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement (including the recital above), the following expressions shall unless the context requires otherwise, have the following meanings:-

“**Acting in Concert**” has the meaning ascribed thereto in the Takeovers Code;

“**Agreement**” this Placing Agreement as amended or varied from time to time in writing by the parties;

“Associate(s)”	has the meaning ascribed thereto in the Listing Rules;
“Authority”	any administrative, governmental or regulatory commission, board, body, authority or agency, or any stock exchange, self-regulatory organization or other non-governmental regulatory authority, or any court, tribunal or arbitrator, in each case whether national, central, federal, provincial, state, regional, municipal, local, domestic or foreign;
“Board”	the board of directors of the Company;
“Bondholder(s)”	the person(s) who for the time being is the holder of the Convertible Bond(s) with the benefit of and subject to the provisions of the Instrument;
“Business Day”	any day (other than a Saturday, Sunday or public holiday or a day on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted or the Extreme Conditions is announced in Hong Kong between 9:00 a.m. to 5:00 p.m.) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours;
“CCASS”	the Central Clearing and Settlement System established and operated by the Hong Kong Securities Clearing Company Limited;
“Certificate”	the certificate to be issued in respect of the Convertible Bonds substantially in the form set out in <u>Schedule A</u> to the Instrument;
“Companies Law”	refers to the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) and/or the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), whichever shall be appropriate;
“Completion”	the completion of the Placing;
“Completion Date”	any Business Day within a period of four (4) Business Days following the date on which the Conditions are fulfilled or, if applicable, waived (or such later date as the Parties may agree in writing);
“Conditions”	the conditions precedent set out in <u>Clause 2.1</u> and a “Condition” means any of them;
“Connected Person(s)”	has the meaning ascribed thereto in the Listing Rules;

“Conversion Rights”	the rights attached to the Convertible Bonds to convert the same or any part thereof into the Conversion Shares as referred to in <u>Clause 6(A)(i)</u> of the Instrument;
“Conversion Shares”	the maximum of 300,000,000 new Shares to be issued by the Company upon exercise by the Bondholder(s) of the Conversion Rights;
“Convertible Bonds”	2-year 2% coupon unsecured redeemable convertible bonds in the principal amount of up to HK\$30,000,000 to be issued by the Company in denomination of HK\$100,000 each with the benefit of and subject to the provisions of the Instrument;
“Encumbrance”	a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or any other type of preferential arrangement (including, without limitation, a title transfer or retention arrangement) having similar effect;
“Extreme Conditions”	the extreme conditions as announced by any Hong Kong Government department or body or otherwise, whether or not under or pursuant to the revised “Code of Practice in Times of Typhoons and Rainstorms” issued by the Labour Department in June 2019 in the event of serious disruption of public transport services or government services, extensive flooding, major landslides or large-scale power outage after typhoons or incidents similar in seriousness or nature;
“General Mandate”	the general mandate granted to the board of directors of the Company to allot, issue and deal with not more than 494,704,608 new Shares at the Annual General Meeting of the Company held on 3 June 2024;
“Group”	the Company and its subsidiaries and the expression “member of the Group” shall be construed accordingly;
“HKFRS”	shall have the same meaning as set out in <u>Clause 7.1</u> ;
“HK\$” or “HKD”	Hong Kong Dollars, the lawful currency of Hong Kong;
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China;
“Indemnified Parties”	shall have the same meaning as set out in <u>Clause 7.3</u> ;
“Instrument”	the instrument constituting the Convertible Bonds in the agreed form as set out in <u>Schedule 2</u> to be executed by the Company as a deed;

“Legislation(s)”	any and all national, central, federal, provincial, state, regional, municipal, local, domestic or foreign laws (including, without limitation, any common law or case law), statutes, ordinances, legal codes, regulations or rules (including, without limitation, any and all regulations, rules, orders, judgments, decrees, rulings, opinions, guidelines, measures, notices or circulars (in each case, whether formally published or not and to the extent mandatory or, if not complied with, the basis for legal, administrative, regulatory or judicial consequences) of any Authority);
“Listing Committee”	the listing committee appointed by the Stock Exchange for considering applications for listing and the granting of listing of securities on the Stock Exchange;
“Listing Rules”	the Rules Governing the Listing of Securities on the Main Board of The Stock Exchange of Hong Kong Limited;
“Longstop Date”	25 September 2024 (or such later date as the Parties may agree in writing);
“Parties”	the Company and the Placing Agent, and a “Party” shall refer to either one of them;
“Placee(s)”	any investor who is either a professional or institutional investor or other investors selected and procured by or on behalf of the Placing Agent as contemplated by this Agreement and is independent as referred to in <u>Clause 3.8</u> , procured by the Placing Agent to subscribe for any of the Convertible Bonds pursuant to the Placing Agent’s obligations hereunder;
“Placing”	the proposed placing of the Convertible Bonds on the terms and subject to the conditions set out in this Agreement;
“Placing Announcement”	the announcement in the agreed form proposed to be issued by or on behalf of the Company immediately following the execution of this Agreement, subject to such modification as the Stock Exchange or SFC (as the case may be) may require;
“Placing Letter”	the letter to be sent to the Placee(s) which shall be in such form and content agreeable to the Parties;
“Placing Period”	the period commencing on the date hereof and expiring on 19 September 2024 (both days inclusive) or such later date as the Parties may agree in writing, unless the Placing is terminated earlier pursuant to the terms of this Agreement;
“Proceedings”	shall have the same meaning as set out in <u>Clause 7.3</u> ;
“SFC”	the Securities and Futures Commission of Hong Kong;

- “**Shareholder(s)**” holder(s) of Share(s) from time to time;
- “**Share(s)**” ordinary share(s) of the Company;
- “**Stock Exchange**” The Stock Exchange of Hong Kong Limited;
- “**Subsidiaries**” has the meaning ascribed thereto in the Listing Rules;
- “**Takeovers Code**” the Code on Takeovers and Mergers in Hong Kong; and
- “**%**” per cent.

1.2 Construction and Certain References

- (a) References in this Agreement to persons include references to bodies corporate and references to the singular include references to the plural and *vice versa*.
- (b) Reference to Recital and Clauses are references to the recital and clauses of this Agreement.
- (c) In this Agreement unless otherwise expressly stated herein, references to any statute, statutory provision or the Listing Rules includes a reference to that statute, statutory provision or the Listing Rules as from time to time amended, extended or re-enacted.

1.3 Headings

Headings are inserted for convenience only and shall not affect the interpretation of this Agreement.

2. CONDITIONS

2.1 Completion is conditional upon:

- (a) the Listing Committee having granted approval for the listing of, and permission to deal in, the Conversion Shares on the Stock Exchange and the approval not having been subsequently revoked or cancelled;
- (b) (if required) the Company having obtained the necessary consent, approval, authorisation, permission, or confirmation for the consummation of the transactions contemplated under this Agreement from any third party to which the Company or its Subsidiaries have entered into any agreement or arrangement; and
- (c) the Company’s representations and warranties made pursuant to this Agreement being true and accurate and not misleading as of the date of this Agreement and the Completion Date.

- 2.2** The conditions contained in Clauses 2.1 (a) and (b) above cannot be waived by any Party. The Placing Agent may at any time unilaterally waive the condition contained in Clause 2.1 (c). The Company shall use all its reasonable endeavours to procure the satisfaction of the conditions set out in Clause 2.1, but if the conditions shall not have been so satisfied (or, where applicable, waived) by the Longstop Date or any of the force majeure event set out in Clause 8 shall have occurred, subject to Clause 6.2, all obligations of the Placing Agent and of the Company hereunder shall cease and determine and none of the Parties shall have any claim against the other in relation thereto save for any antecedent breach of any obligations under this Agreement and without prejudice to the accrued rights and liabilities of the Parties.

3. APPOINTMENT OF THE PLACING AGENT

3.1 Appointment

Subject to the provisions of this Agreement, the Company hereby appoints the Placing Agent as agent in respect of the Placing to the exclusion of all others and the Placing Agent, relying on the representations, warranties and undertakings herein contained and subject to the conditions as hereinafter mentioned, agrees as agent for the Company to procure not less than six (6) Placee(s) to subscribe for the Convertible Bonds on terms and conditions set out in this Agreement on a best effort basis. For avoidance of any doubt, the Placing Agent is not underwriting the Placing of the Convertible Bonds and in no circumstances shall the Placing Agent be required to purchase any of the Convertible Bonds as principal.

3.2 Powers

The Company hereby confirms that this appointment confers on the Placing Agent all powers, authorities and discretion on behalf of the Company which are lawfully reasonably and properly necessary for, or reasonably incidental to, the making of the Placing and hereby agree to ratify and confirm everything which the Placing Agent may lawfully, reasonably and properly do in the exercise of such powers, authorities and discretions in accordance with this Agreement.

3.3 Issue of Convertible Bonds

Subject to the Conditions being fulfilled, upon Completion, the Company shall issue the Convertible Bonds free from any and all Encumbrances and together with all rights attaching to them as at the Completion Date.

3.4 Placing

The Placing Agent agrees and undertakes to the Company that:

- (a) subject to the requirements of the Listing Rules, no Convertible Bonds shall be offered to or placed in circumstances which would constitute an offer to the public in Hong Kong within the meaning of the Companies Law or in any other place or would result in a prospectus (as defined in the Companies Law) required to be issued by the Company or in any manner in which the securities laws or regulations of any place may be infringed;

- (b) it will not, directly or indirectly, offer or sell any Convertible Bonds or distribute or publish any documents in relation to the Placing in any country or jurisdiction except under circumstances that will result in full compliance with all applicable laws and regulations and all offers and sales of the Convertible Bonds and the distribution and publication of any document relating thereto will be made in full compliance with those laws and regulations;
- (c) as placing agent of the Company, it will procure subscribers for the Convertible Bonds on the basis as referred to in Clause 3.1 on the terms and subject to the conditions set out in this Agreement and the Placing Letter; and
- (d) no representations or warranties will be made by the Placing Agent to any of the Placees or any potential Placees in connection with the Convertible Bonds or the Company, or its business, assets, liabilities or prospects.

3.5 Placed Convertible Bonds

The Placing Agent shall use its best endeavours to deliver or cause to be delivered to the Stock Exchange and other regulatory authorities (if applicable) the identities and addresses of the Placees, the relevant principal amount of the Convertible Bonds subscribed by each Placee for the Placing, confirmations from each of the Placees as to its independence and any other information as may be normally and reasonably required by the Stock Exchange and other regulatory authorities (if applicable). The Placing Agent shall sign the Placing Letter with the Placee(s).

3.6 Sub-Placing Agents

The Company hereby acknowledges that the Placing Agent, in performing its functions under this Clause 3, is authorised to appoint one or more sub-placing agents and that such agents shall be agents of the Placing Agent in despatching documents relating to the Placing to the Placees on the terms of and subject to the provisions of this Agreement and the Company hereby authorises and confirms that it will forthwith upon request by the Placing Agent ratify and approve all actions legally, properly and reasonably taken or to be taken by such agents and the Placing Agent in connection with the Placing in accordance with or in reasonable anticipation of the terms and conditions of this Agreement. All fees, commissions, costs, charges and expenses arising from or in connection with the engagement of such agents shall be paid and borne by the Placing Agent. Subject to the terms of this Agreement, the Placing Agent may enter into any agreements with any of such agents for such purpose. The Company further acknowledges that such agents shall be entitled to rely on the representations, warranties and undertakings contained in Clause 7 of this Agreement. The Placing Agent shall procure that all sub-placing agents appointed by it shall comply with the same obligations as are imposed on or assured by the Placing Agent as stated in Clause 3.4 of this Agreement.

3.7 Agency

Any transaction legally, properly and reasonably carried out by the Placing Agent (and any sub-placing agent referred to in Clause 3.6) under and in accordance with

this Agreement on behalf of the Company (and not as principal) shall constitute a transaction carried out at the request of the Company and as its agent and not in respect of the Placing Agent's own account and the Placing Agent shall not be responsible for any loss or damage to any persons (including the Company) arising from any such transaction except for any loss or damage suffered or incurred which are finally judicially determined by a court of competent jurisdiction to have been caused solely and directly by any fraud, wilful default or gross negligence on the part of the Placing Agent or its sub-placing agent and/or as a result, directly or indirectly, of any breach or non-compliance by the Placing Agent (or any sub-placing agent referred to in Clause 3.6) with its obligations under this Agreement (or any sub-placing agreement with any sub-placing agent as referred to in Clause 3.6); provided that the Placing Agent shall not be responsible for any alleged insufficiency of the price at which the Convertible Bonds are sold hereunder. The Company, hereby acknowledges and agrees that the Placing Agent is not acting as a fiduciary, and owe no fiduciary duties, to the Company or its stockholders, creditors, employees or any other party, and the Placing Agent has not assumed and will not assume any advisory or fiduciary responsibility in favour of the Company with respect to the Placing or the process leading thereto (irrespective of whether the Placing Agent has advised or is currently advising the Company on other matters) and the Placing Agent has no obligation to the Company with respect to the Placing except the obligations expressly set forth in this Agreement.

3.8 Placees' Independence

The choice of Placees in relation to the Placing shall be determined by the Placing Agent in its sole and absolute discretion subject to the requirements of the Listing Rules. The Placing Agent shall, and shall procure its sub-placing agent (if applicable and any) to, use its reasonable endeavours to ensure that all Placees and their ultimate beneficial owners (a) shall be independent of and not connected with the Company (and its Subsidiaries), its Connected Person(s) and their respective Associate(s); (b) shall be independent of and not be parties Acting in Concert with any persons, other Placee(s) or Shareholders to the effect that any Placing to such Placee(s) shall not trigger any mandatory offer obligation under Rule 26.1 of the Takeovers Code; and (c) shall be regarded as public (within the meaning as defined under Rule 8.24 of the Listing Rules).

4. COMPLETION

Subject to the fulfilment of the Conditions, Completion shall take place at 5:00 p.m. (Hong Kong time) on the Completion Date in accordance with the completion mechanics as set out in Schedule 1.

5. UNDERTAKINGS

5.1 Information

The Company hereby undertakes to provide the Placing Agent, at its request, with all such information known to it or reasonably ought to be known to it after having made

all reasonable enquires and relating to the Company as may be reasonably required by the Placing Agent in connection with the Placing for the purpose of complying with all requirements of applicable Legislations or of the Stock Exchange or of the SFC.

5.2 Significant Change

The Company shall procure that particulars of every significant new factor known to it which is in its reasonable opinion capable of materially affecting assessment of the Convertible Bonds in the context of the Placing which arises from the date hereof until the Completion Date shall be promptly notified and provided to the Placing Agent.

5.3 Further Assurance

Without prejudice to the foregoing obligations, the Company undertakes with the Placing Agent that it shall do all such other acts and things as may be reasonably required to be done by it to carry into effect the Placing in accordance with the terms of this Agreement and assist the Placing Agent to answer any queries raised by the SFC or the Stock Exchange in relation to the Placing before and after Completion.

6. PAYMENT OF FEES, COMMISSIONS AND EXPENSES

6.1 Fees, Commissions and Expenses

6.1.1 In consideration of the services of the Placing Agent in relation to the Placing, the Company shall pay to the Placing Agent (unless such amounts are deducted pursuant to paragraph 2 of Schedule 1) and the Placing Agent shall be entitled to deduct such amount pursuant to paragraph 2 of Schedule 1:

- (a) provided that Completion occurs in accordance with Clause 4, a commission, in HKD, of 2.5% of the amount equal to the principal amount of the Convertible Bonds which the Placing Agent has successfully procured subscribers for the Convertible Bonds, which amount the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company pursuant to Schedule 1; and
- (b) SFC transaction levy, Stock Exchange trading fee and CCASS stock settlement fee, if any, as may be payable by the Company in respect of the issue of the Convertible Bonds to the Placees or, as appropriate, the Placing Agent or its nominee, which amounts the Placing Agent is hereby authorised to deduct from the payments to be made by it to the Company pursuant to Schedule 1 for the purposes of paying on the Company's behalf such costs, charges, fees and expenses.

Subject to the above, if for any reason the Placing is not completed or Completion does not take place, the Company shall be responsible for payment of all of the Placing Agent's out-of-pocket expenses including all legal fees and expenses reasonably and properly incurred by the Placing Agent in relation thereto.

6.1.2 The failure of the Placing Agent for whatever reasons to deduct the relevant amounts from the proceeds of the Placing on the Completion Date as set out in Clause 6.1.1 shall not relieve the Company of its liability to pay the Placing Agent for such amounts which, to the extent not deducted from the proceeds of the Placing according to Clause 6.1.1, shall be paid by the Company to the Placing Agent not later than 7 Business Days from the date of receipt by the Company of a written request from the Placing Agent for the payment of such amounts from time to time.

6.2 Failure to Complete or Lapse or Termination of the Placing

If for any reason the Placing is not completed or Completion does not take place, including without limitation to not all Conditions having been fulfilled or the Placing having been terminated in accordance with Clause 8, the Company shall not be liable to pay any commission under Clause 6.1.1(a) but the Company shall remain liable for such levy and fee, if any, referred to in Clause 6.1.1(b) and all out-of-pocket expenses including but not limited to all reasonable and properly incurred legal fees and expenses to the extent already incurred by the Placing Agent in connection with the Placing and/or this Agreement on the behalf of the Company provided that the Placing Agent shall supply such evidence on the out-of-pocket expenses as the Company shall reasonably request.

6.3 Brokerage

The Company hereby acknowledges that, in addition to the commissions, costs, charges and expenses referred to in Clause 6.1, the Placing Agent shall be entitled to keep for its own account any brokerage that it may receive from the Placees.

6.4 Payment

All payments to be made by the Company pursuant to this Clause 6 shall be made in full without any set-off, deduction or withholding whatsoever.

6.5 Company's Expenses

The Company shall be liable for the costs and expenses of its own legal and other professional advisers and out-of-pocket expenses incurred in connection with the Placing.

7. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

7.1 Representations and Warranties

7.1.1 In consideration of the Placing Agent entering into this Agreement and agreeing to perform its obligations hereunder, the Company represents and warrants to the Placing Agent that:

- (a) each member of the Group is duly incorporated and is validly existing under the laws of its incorporation, is not in liquidation or receivership and has full power and authority to own its properties, to conduct its

business and is lawfully qualified to do business in those jurisdictions in which business is conducted by it;

- (b) all the Shares in issue are listed on the Stock Exchange, and such listing status is not threatened with any revocation, cancellation or withdrawal whatsoever;
- (c) the Convertible Bonds will be created and issued in accordance with the constitutional document of the Company and all relevant laws and regulations of Hong Kong (to the extent applicable), including but not limited to the Listing Rules, and will rank *pari passu* in all respects inter se and with all other unsecured and unsubordinated obligations of the Company;
- (d) the Conversion Shares, on allotment and issue, will be free from all Encumbrances and together with all rights attaching thereto at the date of allotment and issue thereof and thereafter;
- (e) subject to the fulfilment of the Conditions, the Company has full power and authority to issue the Convertible Bonds and the Conversion Shares upon exercise of the Conversion Rights by the Bondholder(s) and to enter into and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by the Company and constitutes valid and legally binding obligations of the Company enforceable in accordance with its terms;
- (f) subject to the fulfilment of the Conditions, neither the issue of the Convertible Bonds and the Conversion Shares upon exercise of the Conversion Rights by the Bondholder(s), nor the entering into or performance of this Agreement by the Company will constitute or give rise to a breach of or default under its constitutional documents, or will cause any breach of any agreement to which it is a Party or by which it is bound or will infringe or exceed any limits on, powers of, or restrictions on or the terms of any contract, obligation or commitment of the Company, or will give rise to any creation of Encumbrance in respect of any assets of the Company, or will result in third party consent being required, or will result in a contravention of any Legislations;
- (g) save as previously disclosed to the public in writing, there is no litigation, arbitration or other legal proceedings in progress or pending or threatened against any member of the Group and/or any of their respective directors which if decided adversely to the relevant member of the Group may have or have had a material adverse effect on the condition or position (financial or otherwise), earnings, results of operations, business affairs or prospects of the Group (taken as a whole) or the Company or which is material in the context of the Placing;

- (h) there is no order, decree or judgment of any court or governmental agency or regulatory body outstanding or anticipated against the Company, any member of the Group and/or any of their respective directors nor is there any investigation or enquiry by any governmental agency or regulatory body outstanding or anticipated against the Company, any member of the Group and/or any of their respective directors which may have or has had a material adverse effect upon the condition or position (financial or otherwise), earnings, results of operations, business affairs or prospects of the Company and/or any member of the Group or which is material in the context of the Placing;
- (i) save as previously disclosed to the public in writing, there has been no material adverse change in the condition or position (financial or otherwise), earnings, results of operations, business affairs or prospects of the Company since 31 December 2023;
- (j) all information (whether oral, written, electronic or in any other form) supplied by or on behalf of the Company or any of its officers, directors, employees or advisers, for the purpose of or in connection with the Placing or the Company, and all publicly available information and records (such as statutory filings and registrations) of the Company including information and statements of fact contained in the announcement to be published by the Company relating to the Placing and any documents published or announced by the Company are or were true and accurate in all material respects and not misleading in the relevant context and all statements of opinion, intention or expectation of the Company or its directors contained therein are or were truly and honestly held and have been made after due and careful consideration and there is no other fact or matter omitted therefrom the omission of which would make any statement therein misleading or which is otherwise material in the context of the Placing;
- (k) no member of the Group is in breach in any material respect of any rules, regulations or requirements of the Stock Exchange or the SFC or any applicable Legislations;
- (l) no material outstanding indebtedness of any member of the Group has become payable or repayable by reason of any default of such member of the Group and no event has occurred which, with the lapse of time or the fulfilment of any condition or the giving of notice or the compliance with any formality, may result in such indebtedness becoming payable or repayable prior to its maturity date or in a demand being made for such indebtedness to be paid or repaid;
- (m) all tax returns required to be filed by the Company have been filed, and all taxes and other assessments of a similar nature (whether imposed directly or through withholding) including any interest, additions to tax or penalties applicable thereto, due or claimed to be

due from the Company have been paid or for which adequate reserves have been provided;

- (n) the audited consolidated statements of financial position as at 31 December 2023 and the audited consolidated statement of comprehensive income of the Company for the 12 months ended 31 December 2023:
 - (1) have been prepared on a consistent basis, save as disclosed therein, and in accordance with Hong Kong Financial Reporting Standards (“**HKFRS**”) and pursuant to the relevant Legislations of Hong Kong and Listing Rules; and
 - (2) show a true and fair view of the state of affairs of the Group as at 31 December 2023 and of its results for the period ended 31 December 2023;
- (o) all written information in relation to the business operations or financial conditions of the Company or any of its Subsidiaries provided to the Placing Agent by the Company or its employees, agents or advisers in connection with the Placing is true and accurate and there is no other fact or matter omitted therefrom the omission of which would make any statement therein misleading or which is otherwise material in the context of the Placing;
- (p) save as previously disclosed to the public in writing, no member of the Group has entered into any material contract or commitment of an unusual or onerous nature or entered into any notifiable or price sensitive transaction which should have been disclosed to the public according to the Listing Rules or the SFO or might be material for disclosure in the context of the Placing or engaged in any transaction with a view to or having the effect of manipulating the stock price of the Shares, and each such company has carried on its business in the ordinary and usual course;
- (q) the Company agrees and undertakes to use all reasonable endeavours (to the extent that it is able) to ensure that none of its Connected Persons shall subscribe for the Convertible Bonds under the Placing; and
- (r) the Company agrees and undertakes to comply with all applicable Legislations, rules and regulations with respect to the Placing.

7.2 Repetition

The representations and warranties set out in Clause 7.1 are given as at the date hereof and shall be deemed to be repeated by the Company on the Completion Date, as if given or made on such date, with reference in each case to the facts and circumstances then subsisting. The Company undertakes up to and until the Completion Date or the termination of this Agreement, whichever is earlier, to inform

the Placing Agent of any matter or event coming to its attention prior to the Completion Date which would or would reasonably be considered to render or have rendered any of the representations and warranties set out in Clause 7.1 untrue, inaccurate or misleading in any material respect.

7.3 Indemnity and No Claim

- (a) The Company undertakes to indemnify the Placing Agent and its directors, officers, employees, agents, advisors and representatives which shall have been involved in effecting the Placing (the “**Indemnified Parties**”) on demand against all or any claim, actions, liabilities, demands, proceedings, investigations or judgements (the “**Proceedings**”) brought or established against or threatened to be brought or established against any of the Indemnified Parties by any subscriber of the Convertible Bonds or by any Authority or any other person, directly or indirectly arising out of or in connection with the Placing or any breach or alleged breach of the representations, warranties and undertakings by the Company set out in Clauses 7.1 and 7.2 above and against all losses and all reasonable costs, charges and expenses (including reasonable legal fees as they are properly and reasonably incurred) which any of the Indemnified Parties may suffer or incur (including all such losses, costs, charges or expenses suffered or incurred in disputing or defending any Proceedings and or in establishing its right to be indemnified pursuant to this Clause 7.3(a) and or in seeking advice in relation to any Proceedings), except for any loss, costs, charge or expenses suffered or incurred which are finally judicially determined by a court of competent jurisdiction to have been caused solely and directly by the fraud, wilful default or gross negligence on the part of the relevant Indemnified Party.
- (b) No claim shall be made against any Indemnified Party by the Company to recover any damage, costs, charge or expense which the Company may suffer or incur by reason of or arising from the carrying out by the Placing Agent of the work to be done by it pursuant hereto or the performance of its obligations hereunder or otherwise in connection with the Placing except for any loss or damage which are finally judicially determined by a court of competent jurisdiction to have been caused solely and directly by any fraud, wilful default or gross negligence on the part of the relevant Indemnified Party.

7.4 Full Force and Effect

The foregoing provisions of this Clause 7 and the provisions of Clause 3.4 shall remain in full force and effect notwithstanding Completion.

7.5 Further Assurance

The Company shall use its reasonable endeavours at any time prior to or on the Completion Date not to do or omit to do anything which may cause any of the representation and warranties made by it and set out in Clause 7.1 to be untrue in any respect.

7.6 No Release

Any liability to the Placing Agent hereunder may in whole or in part be released compounded or compromised and time or indulgence may be given by the Placing Agent as regard, any person under such liability without prejudicing the Placing Agent's rights against any other person under the same or a similar liability.

8. FORCE MAJEURE

If at any time between the date of this Agreement and at 1:00 p.m. on the Completion Date, there occurs:

- (a) the introduction of any new Legislations or regulation or any change in existing Legislations or regulations (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company;
- (b) the occurrence of any local, national or international event or change occurring after the date of this Agreement of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not *sui generis* with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict, or affecting local securities market or the occurrence of any combination of circumstances which may, in the reasonable opinion of the Placing Agent, materially and adversely affect the business or the financial or trading position or prospects of the Company or adversely prejudices the success of the Placing (such success being the completion of the placing of the Convertible Bonds to potential investor(s)) or otherwise makes it inexpedient or inadvisable for the Company or the Placing Agent to proceed with the Placing;
- (c) any change in market conditions or combination of circumstances in Hong Kong (including without limitation suspension or material restriction on trading in securities) occurs after the date of this Agreement which materially and adversely affects the success of the Placing (such success being the completion of the placing of the Convertible Bonds to potential investor(s)) or otherwise in the reasonable opinion of the Placing Agent make it inexpedient or inadvisable or inappropriate for the Company or the Placing Agent to proceed with the Placing;
- (d) the Company commits any material breach of or omits to observe any of its obligations or undertakings under this Agreement; or
- (e) any of the representations or warranties contained in this Agreement was, when given or deemed to be repeated under this Agreement, untrue or inaccurate in any material respect or would in any material respect be untrue or inaccurate, or if repeated the Placing Agent shall determine in its

reasonable opinion that any such untrue representation or warranty represents or is likely to represent a material adverse change in the financial or trading position or prospects of the Company or will otherwise likely to have a material prejudicial effect on the Placing,

then the Placing Agent may upon giving notice to the Company terminate this Agreement with immediate effect. If this Agreement shall be terminated pursuant to this Clause 8, the obligations of the Placing Agent shall cease and the Company shall not be liable to pay any commission under Clause 6.1.1(a), and other provisions of this Agreement (other than this Clause 8 and Clauses 6.1.1(b), 6.1.2, 6.2, 6.3, 6.4, 6.5, 7.3, 10, 11, 13 and 14 and all other provisions necessary for the interpretation or enforcement of such provisions and without prejudice to the accrued rights and liabilities of the Parties) shall forthwith cease and determine and no Party shall, save as provided in this Clause 8, have any claim against the other Party for compensation, costs, damages or otherwise.

9. TIME OF THE ESSENCE

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

10. ANNOUNCEMENTS

Each of the Parties to this Agreement undertakes that, prior to the Completion Date, it will not make any announcement in connection with this Agreement unless to the extent required by Legislations, the Listing Rules, the Stock Exchange or any Authorities in connection with the Placing contemplated herein, or unless the other Party hereto shall have given its consent to such announcement which consent may not be unreasonably withheld or delayed.

11. NOTICES

11.1 Addresses

All notices delivered hereunder shall be in writing in the English language and shall be communicated to the following addresses:

If to the Placing Agent, to:

Address : 6/F, Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong

Facsimile : (852) 2525 5281

Attention : Responsible Officers

If to the Company, to:

Address : 6/F, Centre Point, 181-185 Gloucester Road, Wanchai, Hong Kong

Facsimile : (852) 2913 6373

Attention : Board of Directors

11.2 Service

Any such notice shall be served either by hand or by facsimile. Any notice shall be deemed to have been served, if served by hand, when delivered and if sent by facsimile, on receipt of the confirmation of successful transmission. Any notice received on a day which is not a Business Day shall be deemed to be received on the next Business Day.

12. WAIVER

No failure or delay by any Party in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other rights, power or remedy. Without limiting the foregoing, no waiver by any Party of any breach of any provision hereof shall be deemed to be a waiver of any subsequent breach of that or any other provision hereof.

13. SUCCESSORS AND ASSIGNS

13.1 Agreement Binding

This Agreement shall be binding on and enure for the benefit of each Party's respective successors and permitted assigns.

13.2 Assignment

The Placing Agent may assign to any person or persons the benefit of the representations, warranties and undertakings contained herein (in whole or in part) as provided in Clause 3.6. Except otherwise provided in this Clause 13.2, no Party shall assign any of its rights under this Agreement (all of which shall be incapable of assignment) or purport to do so.

14. GOVERNING LAW, JURISDICTION AND MISCELLANEOUS

14.1 Governing Law

This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong for the time being in force and the Parties hereby irrevocably submit to the non-exclusive jurisdiction of the Hong Kong courts.

14.2 Counterparts

This Agreement may be executed by the Parties in counterparts, each of which when so executed and delivered shall be an original, but all of which shall together constitute one and the same instrument.

14.3 Right of Third Parties

The Contracts (Right of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) shall not apply to this Agreement and no person who is not a party to this Agreement shall have or acquire any right to enforce any term of it pursuant to the Contracts (Right of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong).

AS WITNESS the hands of the duly authorised representatives of the Parties on the day and year first before written.

[EXECUTION]

The Company

SIGNED by)
FU Yiu Man, Peter)
for and on behalf of)
VALUE CONVERGENCE HOLDINGS)
LIMITED)
in the presence of :)

For and on behalf of
VALUE CONVERGENCE HOLDINGS LIMITED
匯盈控股有限公司

Authorized Signature(s)

The Placing Agent

SIGNED by)
LEUNG Kam Pui)
for and on behalf of)
VC BROKERAGE LIMITED)
in the presence of :)

For and on behalf of
VC BROKERAGE LIMITED
匯盈證券有限公司

Authorized Signature(s)

Schedule 1

Completion Mechanics

1. The Company's obligations: at 5:00 p.m. (Hong Kong time) on the Completion Date, the Company shall:
 - (A) execute the Instrument and the Certificate(s) to the Placee(s) in accordance with the written notice with details provided by the Placing Agent to the Company by no later than 4:00 p.m. on the Business Day immediately before the Completion Date (such details shall be in writing to the Company specifying such information and details relating to each Placee as is reasonably required to enable the Company to issue the Certificate(s) for the relevant principal amount of the Convertible Bonds);
 - (B) procure the name of each Placee for the Placing to be entered into the register of Convertible Bonds holder(s) of the Company;
 - (C) issue the Certificate(s) for the relevant principal amount of the Convertible Bonds to the Placee(s) in accordance with the written notice with details provided by the Placing Agent in sub-paragraph 1 (A) above; and
 - (D) despatch the Instrument and the Certificate(s) mentioned in sub-paragraphs 1 (A) and (C) to the Placing Agent.
2. The Placing Agent's obligations:

Subject to Clause 6 of the Agreement, the Placing Agent (or its nominees or agents) shall on the Completion Date make or procure the making of payments in cleared and available funds to a designated account with a licensed bank as directed and notified by the Company at least two (2) Business Days before the Completion Date in HKD of the aggregate principal amount of the Convertible Bonds which the Placing Agent has procured subscribers for the Placing, after deducting therefrom the amounts referred to in Clause 6 of the Agreement, the payment of the above amounts shall constitute a complete discharge of the obligations of the Placing Agent to procure subscribers for the Convertible Bonds hereunder.

Schedule 2
Form of Instrument