<u>Dated the 18th day of July 2025</u>

Fortune Radiant City Limited

("Target Company")

and

Wong Teresa (王麗盈)

("Existing Shareholder")

and

Million Cities Development Limited

("Subscriber")

SUBSCRIPTION AGREEMENT
relating to
new shares to be issued by
Fortune Radiant City Limited

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THIS AGREEMENT is dated the 18th day of July 2025 and is made

BETWEEN:

(1) **Fortune Radiant City Limited**, a company incorporated in the British Virgin Islands having its registered address at OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands (the "**Target Company**");

(2) **Wong Teresa (王麗盈)**, holder of HKID card numbered Z872915(9) of Flat B, 8/F, Tower 2, Mayfair By The Sea I, 23 Fo Chun Road, Pak Shek Kok, Tai Po, Hong Kong (the "**Existing Shareholder**"); and

(3) **Million Cities Development Limited**, a company incorporated in the British Virgin Islands and having its registered address at OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands (the "**Subscriber**").

WHEREAS:

(A) The Target Company is a company incorporated in the BVI, further details of which are given in **Schedule 1**. As at the date of this Agreement, the Target Company is beneficially and wholly owned by the Existing Shareholder. As at the date of this Agreement, the Target Company is an investment holding company.

(B) As at the date of this Agreement, (i) Union Mark Limited (立標有限公司); (ii) Asia Honest (H.K.) Limited; (iii) 惠州立信科技有限公司; and (iv) 惠州創業興物業管理有限公司 are wholly-owned subsidiaries of the Target Company, further details of which are given in **Schedule 1**.

(C) On the same date as the signing of this Agreement, the Existing Shareholder and the Subscriber entered into the Sale and Purchase Agreement whereby the Existing Shareholder has conditionally agreed to sell, and the Subscriber has conditionally agreed to purchase, approximately 25.3% of the entire issued share capital of the Target Company as at the date of the Sale and Purchase Agreement.

(D) The Target Company has agreed to allot and issue to the Subscriber, and the Subscriber has agreed to subscribe for, the Subscription Shares in accordance with the terms and subject to the conditions set out in this Agreement.

(E) Each of the Target Company and the Existing Shareholder has agreed jointly and severally to provide the Warranties, and shall guarantee the performance of the Target Company's obligations hereunder, in consideration of the Subscriber agreeing to enter into this Agreement for the subscription of the Subscription Shares.

NOW IT IS HEREBY AGREED as follows:

1. Interpretation

1.1 In this Agreement (including the Recitals), unless the context otherwise requires or permits:

"**Business Day**" means a day (excluding Saturday, Sunday 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 signal is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon or on which "extreme conditions" caused by super typhoons is in force between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon) on which commercial banks are open for business in Hong Kong;

"**BVI**" means the British Virgin Islands;

"**Completion**" means completion of the subscription and issuance of the Subscription Shares in accordance with the terms of this Agreement and, where the context requires, also means the performance by the parties hereto of their respective obligations hereunder;

"**Completion Date**" means the fifth Business Day immediately following the satisfaction of the last of the outstanding Conditions Precedent, or such other date as the parties hereto shall agree in writing as the date on which Completion shall take place;

"**Conditions Precedent**" means the conditions listed in Clause 3;

"**Encumbrances**" means any mortgage, charge, pledge, lien (otherwise than arising by statute or operation of law), hypothecation, equities, and adverse claims, or other encumbrance, priority or security interest, deferred purchase, title retention, leasing, sale and purchase, sale-and-leaseback arrangement over or in any property, assets or rights of whatsoever nature or interest or any agreement for any of the same, and "**Encumber**" shall be construed accordingly;

"HK$" means Hong Kong dollars, the lawful currency of Hong Kong for the time being;

"**Hong Kong**" means the Hong Kong Special Administrative Region of the PRC;

"**Listing Rules**" means the Rules Governing the Listing of Securities on the Stock Exchange;

"**Long Stop Date**" means 5:00 p.m. on 18 January 2026 (or any other date as the parties hereto may agree in writing);

"**Management Accounts**" means the unaudited consolidated management accounts comprising the Target Group's consolidated statements of financial position as at the Management Accounts Date and the Target Group's consolidated statements of profits or loss and other comprehensive income from 1 January 2025 to the Management Accounts Date, true and complete copies thereof are annexed hereto as Exhibit "A";

"**Management Accounts Date**" means 30 May 2025;

"**Material Adverse Change**" means any change (or effect) which has a material and adverse effect on the financial position, business or property, results of operation or prospects of the Target Group as a whole;

"**Million Cities**" means Million Cities Holdings Limited (萬城控股有限公司), a company incorporated in the Cayman Islands and whose shares are listed on the Main Board of the Stock Exchange (stock code: 2892);

"**Million Cities Group**" means the group of companies consisting of Million Cities and its subsidiaries and the expressions "**Million Cities Company**" and "**member of the Million Cities Group**" shall be construed accordingly;

"**Million Cities Independent Shareholders**" means in relation to any resolution to be put forward to the shareholders of Million Cities at the extraordinary general meeting (or adjournment thereof) of Million Cities to be convened for consideration and approval of, inter alia, this Agreement and transactions contemplated hereunder, the shareholders of Million Cities other than those, if any, who are required to abstain from voting under the articles of association of Million Cities and the applicable laws and regulations, including (where applicable) the Listing Rules or otherwise as required by the Stock Exchange;

"**PRC**" means the People's Republic of China, for the purpose of this Agreement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan;

"**Properties**" means such properties owned by the Target Group, brief details of which are set out in **Schedule 2**;

"**RMB**" means Renminbi (人民幣), the lawful currency for the time being of the PRC;

"**Sale and Purchase Agreement**" means the sale and purchase agreement dated 18 July 2025 and entered into between the Existing Shareholder (as vendor) and the Subscriber (as purchaser), pursuant to which the Existing Shareholder has conditionally agreed to sell and the Subscriber has conditionally agreed to purchase approximately 25.3% of the issued share capital of the Target Company as at the date of the Sale and Purchase Agreement in accordance with the terms and conditions contained therein;

"**Stock Exchange**" means The Stock Exchange of Hong Kong Limited;

"**subsidiary**" means, in reference to any company (the "**first mentioned company**"), any other company or business entity of which the first mentioned company owns or controls (either directly or through one or more other subsidiaries) more than 50% of the issued share capital or other ownership interest having ordinary voting power to elect directors, managers, trustees or other governing body of such company or other business entity or any company or other business entity which at any time has its accounts consolidated with those of the first mentioned company or which, under Hong Kong law, regulations or generally accepted accounting principles in Hong Kong from time to time, should have its accounts consolidated with those of the first mentioned company;

"**Subscription Price**" means 120,087,000, being the amount payable by the Subscriber for the subscription of the Subscription Shares;

"**Subscription Shares**" means new ordinary shares of US$1.00 each of the Target Company to be allotted and issued to the Subscriber or its nominee(s) by the Target Company pursuant to the terms of this Agreement, which will represent approximately 16.7% of the enlarged issued share capital of the Target Company upon Completion;

"**Target Company**" means Fortune Radiant City Limited, whose brief particulars are given in **<u>Schedule 1</u>**;

"**Target Group**" means the group of companies consisting of the Target Company and its subsidiary(ies) and the expressions "**member of the Target Group**" and "**Target Group Company**" shall be construed accordingly;

"**Taxation**" means (i) any form of taxation whenever created or imposed and of any part of the world and without prejudice to the generality of the foregoing includes profits tax, provisional profits tax, interest tax, salaries tax, property tax, real estate tax, land use fees, land appreciation tax, taxes on income, sales tax, capital gains tax, business tax, value-added tax, consumption tax, inheritance tax, capital duty, estate duty, stamp duty, payroll tax, withholding tax, rates, customs and excise duties and generally other liabilities payable to the revenue, customs or fiscal authorities in any part of the world; (ii) an amount equal to any deprivation of any relief, allowance, set off, deduction in computing profits or right to repayment of taxation granted by or pursuant to any legislation concerning or otherwise relating to taxation; and (iii) all costs, charges, interest, fines, penalties and expenses incidental or relating to taxation or any liability thereto or any relief, allowance, set off or deduction in computing profits or right to repayment of taxation which is the subject of the Warranties to the extent that they are payable or suffered by any Target Group Company;

"**this Agreement**" means this agreement for the subscription and issuance of the Subscription Shares as amended from time to time;

"**US$"** means United States dollars, the lawful currency of the United States of America for the time being;

"**Warranties**" means the representations and warranties set out in **<u>Schedule 3</u>** to this Agreement;

"**%**" means per cent.; and

"*" means English translation for identification purpose only.

1.2 In this Agreement, unless the context otherwise requires:

(1) references to the singular shall be deemed to include references to the plural and *vice versa*;

(2) references to one gender shall include all genders and references to any person

shall include an individual, firm, body corporate or unincorporated;

(3) references to statutory provisions shall be construed as references to those provisions as amended or re-enacted or as their applications are modified by other provisions (whether before or after the date hereof) from time to time and shall include any provisions of which they are re-enactments (whether with or without modification);

(4) references to clauses, schedules and annexes are references to clauses, schedules and annexes of this Agreement and references to sub-clauses and paragraphs are unless otherwise stated, references to sub-clauses and paragraphs of the clause, sub-clause or, as appropriate, the schedule in which the reference appears;

(5) references to person include any public body and any body of persons, corporate or unincorporate;

(6) references to writing shall include any modes of reproducing words in a legible and non-transitory form;

(7) references to times of a day are, unless otherwise provided herein, to Hong Kong time; and

(8) if a period of time is specified and dates from a given day or the day of an act or event, it shall be calculated exclusive of that day.

2. <u>Subscription and Subscription Price</u>

2.1 Subject to and upon the terms and conditions of this Agreement, the Subscriber shall subscribe for, and the Target Company shall allot and issue to the Subscriber, the Subscription Shares at the Subscription Price in accordance with the terms of this Agreement, memorandum and articles of association of the Target Company, on the Completion Date.

2.2 The Subscription Shares shall be issued as fully paid and free from all liens, charges, equities, Encumbrances or third party interests.

2.3 The Subscription Shares shall rank *pari passu* among themselves and with all the shares of the Target Company in issue as at the Completion Date.

2.4 The Subscription Price for the Subscription Shares payable by the Subscriber shall be HK$120,087,000.

3. <u>Conditions Precedent</u>

3.1 This Agreement and the obligations of the parties to effect Completion are conditional upon:

(1) the Sale and Purchase Agreement having become unconditional (other than the fulfillment of any condition(s) in the Sale and Purchase Agreement requiring completion of this Agreement and other transactions contemplated herein and

not being terminated in accordance with its terms and conditions);

(2) the passing of ordinary resolution(s) by the Million Cities Independent Shareholders to approve, among others, the transaction contemplated by this Agreement in accordance with the requirements of the Listing Rules;

(3) the Subscriber being reasonably satisfied with the results of the due diligence exercise (whether legal, accounting, financial, operational, or other aspects that the Subscriber considers relevant) on the Target Group, their related assets, liabilities, activities, operations, prospects and other status which the Subscriber, its agents or professional advisers think necessary and appropriate to conduct;

(4) all requirements imposed by the Stock Exchange under the Listing Rules or otherwise in connection with the transactions contemplated by this Agreement having been fully complied with;

(5) all necessary consents, authorisations or other approvals (or, as the case may be, the relevant waiver) of any kind in connection with the entering into and performance of the terms of this Agreement and those which may be required under the Listing Rules, from the Stock Exchange or any regulatory authority having been obtained by the Target Company; and

(6) the Subscriber being satisfied that from the date of this Agreement to the Completion Date, there has not been any Material Adverse Change in respect of any member of the Target Company or its subsidiaries as a whole.

3.2 As regards satisfaction of the Conditions Precedent, none of the parties hereto may waive the Conditions Precedent stated in Clauses 3.1(2), (4) and (5) .

3.3 The parties hereto shall respectively use their reasonable endeavours (but in each case without any obligation to give any undertakings, or assurances, or do any other things, which the party in question may reasonably consider unduly onerous in the circumstances) and shall co-operate with each other to ensure that all the Conditions Precedent shall be fulfilled by the Long Stop Date and save as expressly provided, no party may withdraw from this Agreement before the Long Stop Date unless any of the Conditions Precedent becomes incapable of fulfillment.

3.4 If the Conditions Precedent shall not have been fulfilled in full on or before 5:00 p.m. on the Long Stop Date, all rights and obligations of the parties hereunder (other than those pursuant to Clauses 10 and 17 which shall remain in full force and effect) shall cease and terminate, and no party to this Agreement shall have any claim against or liability to the other parties with respect to any matter referred to in this Agreement save for any antecedent breaches of this Agreement.

4. <u>Completion</u>

4.1 Upon fulfillment of all the Conditions Precedent, Completion shall take place at the Hong Kong office of Million Cities (or at such other place as the parties hereto may mutually agree in writing) at or before 5:00 p.m. on the Completion Date (time being of the essence) when all the acts and requirements set out in this Clause 4 shall be complied with.

4.2 At Completion, the Target Company shall do all of the following:

(a) allot and issue the Subscription Shares to the Subscriber or its nominee(s) as the holder(s) of the Subscription Shares;

(b) deliver to the Subscriber or its nominee(s) the original share certificate(s) in respect of the Subscription Shares;

(c) enter the name of the Subscriber or its nominee(s) in the register of members of the Target Company as the holder(s) of the Subscription Shares.

4.3 Against compliance by the Target Company with provisions of Clause 4.2, the Subscriber shall:

(a) deliver or cause to be delivered to the Target Company duly executed application(s) for allotment of the Subscription Shares in the form as set out in **Schedule 4**; and

(b) pay the Subscription Price to the Target Company.

4.4 Without prejudice to any other remedies available to the non-defaulting party, if in any respect the provisions of Clauses 4.2 or 4.3 are not complied with by the relevant party on the Completion Date, the non-defaulting party may by notice:

(1) defer Completion to a date not more than 28 days after the Completion Date (and so that the provisions of this Clause 4 shall apply to Completion as so deferred); or

(2) proceed to Completion so far as practicable (without prejudice to the non-defaulting party's rights hereunder); or

(3) rescind its obligation under this Agreement whereby, without prejudice to any other remedies available to the non-defaulting party.

4.5 Where this Agreement is terminated by a non-defaulting party pursuant to the exercise of its rights under Clause 4.4(3), all obligations of the party not in default under this Agreement shall cease and terminate.

5. Target Company's and Existing Shareholder's representations and warranties

5.1 Each of the Target Company and the Existing Shareholder hereby jointly and severally represents, warrants to and covenants with the Subscriber the Warranties are and will be true, complete, accurate and not misleading and fully observed at all times commencing from the date of this Agreement until the Completion Date.

5.2 Each of the Warranties shall (a) be separate and independent and save as otherwise expressly provided shall not be limited by reference to any other Warranty or anything else in this Agreement; and (b) be made on the date of this Agreement and be deemed to have repeated on each day until the Completion Date.

5.3 Each of the Target Company and the Existing Shareholder hereby acknowledges and that the Subscriber is entering into this Agreement in relation to the Warranties.

5.4 Each of the Target Company and the Existing Shareholder shall immediately (in any event before the Completion Date) notify the Subscriber and promptly provide such particulars as the Subscriber may request upon it becoming aware of:

(a) any event which could be expected to cause any of the Warranties to become incorrect, misleading or breached; or

(b) any breach, or anything which may be a breach, of any of the covenants given by the Target Company or the Existing Shareholder under this Agreement.

5.5 Subject to Clause 5.6, the Target Company and the Existing Shareholder shall indemnify, defend and hold harmless the Subscriber, or any of it directors, officers, employees or agents (each an "**Indemnified Party**") from and against any and all losses damages, liabilities, claims, proceedings, costs and expenses (including the fees, disbursements and other charges of counsel reasonably incurred by the Indemnified Party in any action between any of the Target Company and the Existing Shareholder on the one hand and the Indemnified Party on the other hand, or between the Indemnified Party and any third party, in connection with any investigation or evaluation of claim or otherwise) (collectively, the "**Losses**"), resulting from or arising out of any breach by any of the Target Company or the Existing Shareholder of any Warranty under Schedule 3, save for such Losses that are incurred by willful default or fraud of the Indemnified Party. In connection with the obligation of the Target Company and the Existing Shareholder to indemnify for Losses as set out above, if an Indemnified Party in good faith believes that it has a claim that may give rise to an indemnify obligation under this Clause, it shall promptly notify the Target Company and the Existing Shareholder stating specifically the basis on which such claim is being made, the material facts related thereto and (if ascertainable or quantifiable) the amount of the claim asserted. The Target Company and the Existing Shareholder shall, upon presentation of appropriate invoices or documents containing reasonable details by the Indemnified Party (which shall be conclusive of any documents amounts to be reimbursed save for manifest errors), reimburse each Indemnified Party for all such Losses as they are incurred by such Indemnified Party as soon as possible.

5.6 Any indemnity as referred to in Clause 5.5 for breach of a Warranty, undertaking, covenant or agreement shall be satisfied by a payment of Losses to the Indemnified Party, so as to place the Indemnified Party in the same position as it would have been in had there not been such breach of the Warranty, undertaking, covenant, or agreement under which the Indemnified Party is to be indemnified.

5.7 The parties hereto agree that, in assessing the amount of damages for a breach of a Warranty, undertaking, covenant or agreement, there shall be taken into account that: (i) the Losses suffered or foreseeable to be suffered by the Subscriber arising from such breach of the Warranty, undertaking, covenant, or agreement shall include the decrease in value, calculated as at the Completion Date, of the assets of the Target Group as a result of such breach; and (ii) in calculating the Losses that the Subscriber has suffered or foreseeable to be suffered as a result of any breach of a Warranty, undertaking, covenant or agreement, any payment made by the Target Company or the Existing Shareholder to indemnify the Subscriber for its Losses that has in itself diminished or may in itself diminish the value of the Subscription Shares.

6. Subscriber's representations and warranties

6.1 The Subscriber hereby represents, warrants and undertakes to the Target Company and the Existing Shareholder as follows:

(a) the Subscriber has the power to enter into this Agreement, to perform its obligations under this Agreement and carry out the transaction contemplated under this Agreement; and

(b) the Subscriber has obtained and taken all the necessary consents, approvals and other actions to authorise, enter into and perform this Agreement and to carry out the transaction contemplated under this Agreement.

6.2 The Subscriber accepts that each of the Target Company and the Existing Shareholder is entering into this Agreement in reliance upon the warranty specified in Clause 6.1 above, notwithstanding any investigations which the Target Company and the Existing Shareholder, or any of their respective agents or advisers may have made.

7. Time and no waiver

Time shall in every respect be of the essence of this Agreement but no failure on the part of any party hereto to exercise, and no delay on its part in exercising any right thereunder shall operate as a waiver thereof, nor will any single or partial exercise of any right under this Agreement preclude any other further exercise of it or the exercise of any other right(s) or prejudice or affect any right(s) against any other parties hereto under the same liability, whether joint, several or otherwise. The rights and remedies provided under this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

8. Invalidity

If at any time any one or more of the provisions of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, such provision shall be deemed in such jurisdiction not to be part of this Agreement and the legality, validity or enforceability of the remaining provisions of this Agreement or the legality, validity or enforceability of such provision under the laws of any other jurisdictions shall in any way be affected or impaired thereby.

9. Amendments

This Agreement shall not be amended, supplemented or modified except by instruments in writing signed by each of the parties hereto.

10. Confidentiality

10.1 The terms contained in this Agreement shall be and remain confidential in accordance with Clause 10.2 save for disclosure to professional advisers and (if required) regulatory authorities in Hong Kong and any announcement in respect of this Agreement shall so far as practicable be jointly agreed between the parties but subject to the obligations of the parties to comply with the Listing Rules and other applicable laws, rules, regulations and code.

10.2 Subject to Clause 10.1, the Subscriber hereby undertakes with the Existing Shareholder and the Target Company that it will not and will procure its officers, employees, advisers and any parties acting on its behalf will not, prior to Completion and without the prior written consent of the Existing Shareholder and the Target Company, save as required by law or any regulatory body in Hong Kong, disclose any information or documents of whatever nature relating to the Target Group supplied to the Subscriber, its officers, employees, its advisers and any parties acting on its behalf by the Existing Shareholder, the Target Company, or any member of the Million Cities Group or any of their respective professional advisers in connection with the subscription herein or the existence of the negotiations in respect of such subscription or any of their terms, conditions or status, or any transactions in connection therewith to any third party (other than those of its employees or financial or other professional advisers as are necessarily required in the course of their duties to receive and acquire such documents, information and/or knowledge).

10.3 The prohibitions contained in Clause 10.2 shall not apply to any documents or information which:

(a) becomes generally available to the public other than as a result of disclosure by the Subscriber or its officers, employees or advisers; or

(b) becomes lawfully available to the Subscriber, its employees or advisers from a third party free from any confidentiality restriction; or

(c) was available to each of the Subscriber or its employees or advisers on a non-confidential basis prior to it and him (as the case maybe) being so furnished.

11. Costs and expenses

Each party shall bear its costs and expenses (including legal fees) incurred in connection with the preparation, execution and performance of this Agreement and all documents incidental or relating to Completion.

12. Notices and process agent

12.1 All notices or communication required to be served or given pursuant to this Agreement shall be:

(a) in writing and may be sent by prepaid postage, (by airmail if to another country) or personal delivery;

(b) sent to the parties hereto at the address from time to time designated in writing by that party to the other, the initial address so designated by each party being set out at the beginning of this Agreement against the names of the respective parties; and

(c) any communication or notices shall be irrevocable and shall not be effective until received or deemed to be received by the relevant parties.

12.2 Any notices or communication shall be deemed to have been received by the relevant parties (i) within two days after the date of posting, if sent by local mail; four days after the date of posting, if sent by airmail; and (ii) when delivered, if delivered by hand.

12.3 The Subscriber irrevocably appoints Mr. Lau Ka Keung (address: House 38, Tycoon Place, 38 Lo Fai Road, Tai Po, the New Territories, Hong Kong) as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong. Any such legal process shall be sufficiently served on it if delivered to such service agent.

12.4 The Target Company irrevocably appoints Ms. Wong Teresa (address: Flat B, 8/F, Tower 2, Mayfair By The Sea I, 23 Fo Chun Road, Pak Shek Kok, Tai Po, Hong Kong) as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong. Any such legal process shall be sufficiently served on it if delivered to such service agent.

13. <u>Assignment</u>

This Agreement shall be binding on and enure for the benefit of each party and its respective successors and permitted assigns. The parties to this Agreement may not assign or transfer or purport to assign or transfer any of their rights or obligations hereunder without the prior written consent of the other party.

14. <u>Entire agreement</u>

This Agreement constitutes the entire agreement between the parties hereto with respect to the matters dealt with herein and supersedes any previous understandings, agreements, arrangements, statements or transactions whether oral or written between the parties hereto in relation to the subject matter hereof.

15. <u>Continuing effect of this Agreement</u>

Any provisions of this Agreement which is capable of being performed after Completion but which has not been performed at or before Completion and all Warranties and other representations and warranties and other undertakings contained or entered into pursuant to this Agreement shall remain in full force and effect notwithstanding Completion.

16. **Counterpart**

This Agreement may be executed in any number of counterparts, all of which taken together shall constitutes one and the same instrument, and any of the parties hereto may execute this Agreement by signing any such counterpart. Any of the parties hereto may execute this Agreement by signing any such counterpart and each counterpart may be signed and executed by the parties and transmitted by facsimile transmission and shall be valid and effectual as if executed as an original.

17. **Governing law and jurisdiction**

This Agreement shall be governed by or construed in accordance with the laws of Hong Kong and the parties submit to the non-exclusive jurisdiction of the Hong Kong courts.

18. **Contracts (Rights of Third Parties)**

No terms of this Agreement is enforceable under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) by a person who is not a party of this Agreement.

IN WITNESS whereof the parties hereto have duly executed this Agreement the day and year first above written.

THE TARGET COMPANY

SIGNED for and on behalf of)
Fortune Radiant City Limited)
by)
its director, in the presence of:)

Amy Han

For and on behalf of
FORTUNE RADIANT CITY LIMITED

Authorized Signature(s)

THE EXISTING SHAREHOLDER

SIGNED)
by **Wong Teresa (王麗盈)**)
in the presence of:)

Amy Han

THE SUBSCRIBER

SIGNED for and on behalf of)
Million Cities Development Limited)
by Benedict Li)
its director, in the presence of:)

Amy Han

For and on behalf of
MILLION CITIES DEVELOPMENT LIMITED

Authorized Signature(s)

Schedule 1

Particulars of the Target Group

The Target Company

1.	**Company name**	:	Fortune Radiant City Limited
2.	**Place of incorporation**	:	British Virgin Islands
3.	**Company number**	:	1962645
4.	**Registered address**	:	OMC Chambers, Wickhams Cay 1, Road Town, Tortola,, British Virgin Islands
5.	**Director**	:	Wong Teresa
6.	**Authorised share capital**	:	US$50,000
7.	**Issued share capital**	:	US$100
8.	**Registered shareholder and shareholding**	:	the Existing Shareholder (i.e. Wong Teresa), 100 shares
9.	**Scope of business**	:	Investment holding

Subsidiaries of the Target Company

Union Mark Limited

1.	**Company name**	:	Union Mark Limited (立標有限公司)
2.	**Place of incorporation**	:	Hong Kong
3.	**Business registration number**	:	35705744
4.	**Registered address**	:	Unit D , 21/F, Block 1, Tai Ping Industrial Centre, 57 Ting Kok Road, Tai Po, , Hong Kong
5.	**Director**	:	Wong Teresa
6.	**Secretary**	:	Tam Wai Shing, Joseph
7.	**Issued share capital**	:	HK$100
8.	**Registered shareholder and shareholding**	:	Wong Teresa, 100%
9.	**Scope of business**	:	Investment holding

Asia Honest (H.K.) Limited

1.	**Company name**	:	Asia Honest (H.K.) Limited (冠誠（香港）有限公司)
2.	**Place of incorporation**	:	Hong Kong
3.	**Business registration number**	:	67465912
4.	**Registered address**	:	Unit D, 21/F., Block 1, Tai Ping Industrial Centre, 57 Ting Kok Road, Tai Po, New Territories, Hong Kong
5.	**Directors**	:	(1) Wong Ting Chung (2) Wong Wai Yue (3) Lau Ka Keung
6.	**Secretary**	:	Li Wa Tat Benedict
7.	**Issued share capital**	:	HK$1
8.	**Registered shareholder and shareholding**	:	The Target Company, 100%
9.	**Scope of business**	:	Investment holding

<u>惠州立信科技有限公司</u>

1.	**Company name**	:	惠州立信科技有限公司
2.	**Address**	:	惠州市惠城區水口填荔城工業區 (Shuikou Tianlicheng Industrial Zone, Huicheng District, Huizhou City, the PRC*)
3.	**Business licence number**	:	9144130078579660XQ
4.	**Date of establishment**	:	27 March 2006
5.	**Expiration date of business licence**	:	27 March 2056
6.	**Legal representative**	:	林修高 (Lin Xiugao*)
7.	**Director**	:	林修高 (Lin Xiugao*)
8.	**Registered capital**	:	US$27,000,000
9.	**Nature of enterprise**	:	Limited liability company (Sino-foreign equity joint venture established in Mainland China)
10.	**Equity holder and equity holding**	:	Union Mark Limited, 100%
11.	**Scope of business**	:	Production and sales: semiconductors, new electronic components (power electronic devices) and other related products, new instrument components and materials (instrument connectors). Leasing out of its own factory buildings and ancillary facilities

惠州創業興物業管理有限公司

1.	**Company name**	:	惠州創業興物業管理有限公司
2.	**Address**	:	惠州市惠城区水口街道办事处岃洛五路3号(厂房)(Factory building at No. 3 Ren Luo Wu Road, Huicheng District, Huizhou*)
3.	**Business licence number**	:	441302000682957
4.	**Date of establishment**	:	23 October 2019
5.	**Expiration date of business licence**	:	無固定期限 (No fixed term)
6.	**Legal representative**	:	吕家莉 (Lu Jiali*)
7.	**Director**	:	吕家莉 (Lu Jiali*)
8.	**Registered capital**	:	RMB500,000
9.	**Nature of enterprise**	:	Limited liability company (Sino-foreign equity joint venture established in Mainland China)
10.	**Equity holder and equity holding**	:	Asia Honest (H.K.) Limited, 100%
11.	**Scope of business**	:	Enterprise management; information consulting services (excluding licensed information consulting services); conference and exhibition services; advertising production; entrepreneurial space services; investment activities with own funds; non-residential real estate leasing; housing leasing; property management. (Projects that require approval according to law can only be carried out after obtaining approval from relevant departments)

Schedule 2

Particulars of the Properties

No.	Name of owner	Address of the Properties	Gross floor area	Usage of the Properties
1.	惠州立信科技有限公司	中國廣東省惠州市惠城區水口街道辦事處岃洛六路 3 號(An industrial development located at No. 3 Ren Luo Liu Road, Huicheng District, Huizhou, Guangdong Province, the PRC*)	205,634.72	Rental property
2.	惠州立信科技有限公司	中國廣東省惠州市惠城區水口街道辦事處岃洛五路 3 號(An industrial development located at No. 3 Ren Luo Wu Road, Huicheng District, Huizhou, Guangdong Province, the PRC*)	29,943.20	Rental property
3.	惠州立信科技有限公司	中國廣東省惠州市惠城區水口街道辦事處岃洛五路 1 號一期 (Phase 1 of an industrial development located at No. 1 Ren Luo Wu Road, Huicheng District, Huizhou, Guangdong Province, the PRC*)	97,696.94	Rental property
4.	惠州立信科技有限公司	中國廣東省惠州市惠城區水口街道辦事處岃洛五路 1 號二期 (Phase 2 of an industrial development located at No. 1 Ren Luo Wu Road, Huicheng District, Huizhou, Guangdong Province, the PRC*)	92,114.39	Under construction

Schedule 3

Warranties

Each of the Target Company and the Existing Shareholder jointly and severally represents, warrants and undertakes to the Subscriber:

1. General

1.1 The information contained in this Agreement including the Recitals and Schedules is true and correct in all respects.

1.2 Each of the Target Company and the Existing Shareholder has the right, power and authority to enter into and perform this Agreement which constitutes legal, valid and binding obligations on the Target Company or the Existing Shareholder (as the case may be) in accordance with its terms.

2. Compliance

2.1 Each member of the Target Group has been incorporated or established (as the case may be) in accordance with the laws in its place of incorporation and is validly subsisting under those laws.

2.2 Each member of the Target Group has full power, authority and legal right to own its assets and carry on its business.

2.3 The business and the affairs of each Target Group Company have at all times been and continue to be conducted in accordance with their respective constitutions.

2.4 All corporate or other documents, accounts, returns and resolutions required to be filed or registered in respect of members of the Target Group with the relevant authorities have been duly filed or registered in proper form and on due dates.

2.5 The statutory books and minute books of members of the Target Group have been properly written up and no member of the Target Group has received any application or request for rectification of its register of shareholders. The minute books of directors' meetings and of shareholders' meetings respectively contain full and accurate records of all resolutions passed by the directors and the shareholders respectively of members of the Target Group.

2.6 There is no violation of, or breach with respect to, any ordinance, statute, regulation, order, decree or judgment of any court or any government agency of Hong Kong or any other jurisdiction by members of the Target Group which would materially and adversely affect the Target Group, their assets or business as a whole.

2.7 No events or omissions have occurred whereby the constitution, subsistence, registration or corporate status of members of the Target Group has been or is likely to have Material Adverse Change.

3. Taxation

3.1 Each Target Group Company has within the requisite time limits duly made all returns, given all notices, and supplied all other information required to be supplied to any competent fiscal authority in any part of the world and all such information, returns and notices were when given or supplied, and are now, accurate and made on a proper basis and are not likely to be the subject of any dispute with any of the relevant authorities concerned.

3.2 No member of the Target Group is subject to any dispute with the Inland Revenue Department of Hong Kong or any other fiscal authority anywhere in the world at the date hereof and there is no fact or matter which might result in any such dispute for Taxation.

3.3 Each member of the Target Group has or will have paid or accounted for all Taxation (if any) due to be paid or accounted for by it on or before the Completion Date.

4. Financial statements

4.1 The Management Accounts:

(1) have been prepared with due care and attention on a consistent basis with the practice used in the preparation of management accounts of the Target Group in the period ended on the Management Accounts Date; and

(2) show with reasonable accuracy the state of affairs, financial position, assets and liabilities and profit and loss of the Target Group as at and for the relevant period in respect of which the managements have been prepared.

4.2 Since the Management Accounts Date, the Target Group's business has been conducted in the ordinary course and there has been no Material Adverse Change in its financial or operations.

4.3 There are no liabilities of the Target Group of any kind whatsoever, whether accrued, contingent, absolute, determined, determinable or otherwise, and there is no existing condition, situation or set of circumstances which could reasonably be expected to result in such a liability, other than liabilities provided for in the Management Accounts; and other undisclosed liabilities which, individually or in the aggregate are not material to the business of the Target Group.

4.4 Since the Management Accounts Date, no dividend, bonus issue or other distribution or repayment of any loan is in arrears or has been declared, made or paid by the Target Company, except as provided for in the Management Accounts.

5. Litigation

5.1 No member of the Target Group is a party to any material legal proceedings and no material legal proceedings are threatened or pending either by or against the Target Group.

5.2 There are no facts or circumstances which are likely to result in any material legal proceedings being bought by or against any member of the Target Group or against any person for whose acts or defaults the Target Group may be vicariously liable.

5.3 There are no unfulfilled or unsatisfied judgments, court orders or tribunal or arbitral awards outstanding against the Target Group and no distress, execution or process has been levied on the Target Group in any material respects.

5.4 There are no investigations, disciplinary proceedings or other circumstances likely to lead to any claim or legal action, proceeding, suit, litigation, prosecution, official investigation, enquiry or arbitration against any member of the Target Group in any material respects.

6. <u>Solvency</u>

6.1 No order has been made or petition presented or resolution passed for the, liquidation winding-up or appointment of receiver of any member of the Target Group, nor has any distress, execution or other process been levied against any member of the Target Group. There are no circumstances which may cause any of the above to happen or arise.

6.2 No steps have been taken for the appointment of an administrator, liquidator or receiver of any part of the property, assets, undertakings or business of any member of the Target Group and there are no circumstances which may give rise to such appointment.

6.3 No member of the Target Group is insolvent or unable to pay its debts as they fall due.

7. <u>The Properties</u>

7.1 The Properties comprise all of the land, building and premises owned by the Target Group. The Target Group does not have any other Properties and does not occupy (whether or not under licence or any other arrangements or otherwise) and has not leased or licensed any land, building and premises other than those set out in Schedule 2.

7.2 In relation to the Properties owned by the Target Group:

(1) the Target Group is the legal and beneficial owner, and has a good title to the Properties;

(2) there being no matters which may cause Material Adverse Change to the title to the Properties or there being any outstanding notices that may cause Material Adverse Change to the Properties served by relevant governmental authority(ies);

(3) save as (i) the mortgage pledging the Properties in favour of 大华银行（中国）有限公司深圳分行 for a secured term loan of up to RMB150,000,000 in 2021; and (ii) the mortgages pleading the Properties in favour of United Overseas Bank Limited for a secured flipper term loan facilities of up to RMB550,000,000 in 2021, the Properties are not subject to any other mortgages or charges or assignment of rent or documents of similar nature; and

(4) save as those disclosed to the Subscriber during the due diligence exercise, the Properties are not subject to any lease, sub-lease, tenancy agreement, sub-tenancy agreement, licence in favour of any third party giving any person a right to possess

use or occupy the Properties or any part thereof.

8. Repetition of Warranties

The Warranties contained in this Schedule shall be deemed to be repeated immediately before Completion and relate to the facts and circumstances then existing.

Schedule 4

Form of application for allotment of the Subscription Shares

The Board of Directors
Fortune Radiant City Limited

[Date]

Dear Sirs

Fortune Radiant City Limited (the "**Company**")

Application for allotment of shares

We, [Million Cities Development Limited], of [*], British Virgin Islands, hereby apply for and request you to allot the following ordinary shares of US$1.00 each in the share capital of your company to us, credited as fully paid, pursuant to the subscription agreement dated [*] 2025 and entered into between [us] and your company in respect of the allotment and issuance of new shares of your company to us.

Class of shares	*Number of shares applied for*
Ordinary	[*]

We agree to take the said shares subject to the memorandum and articles of association of your company and we authorise you to enter our name in the register of members of the holder of the said shares.

Yours faithfully
For and on behalf of
[Million Cities Development Limited]

____

Director

Exhibit "A"
Management Accounts

FORTUNE RADIANT CITY LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 May 2025
(For management purposes only)
(HKD)

	RMB
Assets	
Non-current assets	
Investment property	1,301,000,000
Property , plant and equipment	1,993,321
IP under constructiom	140,000,000
	1,442,993,321
Current assets	
Cash and cash equivalents	44,314,065
Amount due from related parties	4,175,358
Account receivable and prepayments	1,016,561
VAT receivable	8,565,729
	58,071,714
Total assets	**1,501,065,035**
Equity	
Share capital	714
Exchange reserve	(13,344,227)
Retained Reserve	561,134,374
Total equity	**547,790,861**
Liabilities	
Non-current liabilities	
Deferred Tax liabilities	197,303,086
	197,303,086
Current Liabilities	
Accrued expenses	9,518
Account payable and other payable	14,160,275
Amount due to related parties	256,162,440
Bank loans	485,638,855
	755,971,088
Total liabilities	953,274,174
Total equity and liabilities	**1,501,065,035**
Net current assets/(liabilities)	(697,899,374)

FORTUNE RADIANT CITY LIMITED
CONSOLIDATED INCOME STATEMENT FOR THE YEAR ENDED 31 MAY 2025
(For management purposes only)
(RMB)

	Total
Revenue	16,270,301.25
Cost of sales	-5,298,232.44
Gross profit / losses	10,972,068.81
Valuationn gain / losses in IP	-9,804,333.78
Other income	31,310.44
Selling expenses	-540,998.30
Management expenses	-2,113,404.99
Loss from operation	-1,455,357.82
Finance costs	-12,872,957.30
Gain / Loss Loss before taxation	-14,328,315.13
Income tax	2,451,083.45
Gain/ Loss for the year	-11,877,231.68