

Dated 8 July 2024

- (1) WINSHINE SCIENCE COMPANY LIMITED
(瀛晟科學有限公司)
as the Company

- (2) HURRAY TALENT INVESTMENT DEVELOPMENT
LIMITED
(亨達投資發展有限公司)
as Subscriber

SUBSCRIPTION AGREEMENT
in respect of an issue of
Subscription Shares by
Winshine Science Company Limited

THIS AGREEMENT dated 8 July 2024 is made

BETWEEN:-

- (1) **WINSHINE SCIENCE COMPANY LIMITED** (瀛晟科學有限公司), a company incorporated in Bermuda, whose registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda and whose principal place of business in Hong Kong is Room 907B, 9/F., China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road Central, Hong Kong (the "**Company**"); and
 - (2) **HURRAY TALENT INVESTMENT DEVELOPMENT LIMITED** (亨達投資發展有限公司), a company incorporated in the British Virgin Islands, whose registered office is at Sea Meadow House, PO Box 116, Road Town, Tortola VG1110, British Virgin Islands (the "**Subscriber**"),
- (each a "**Party**" and together the "**Parties**").

WHEREAS:-

- (A) the Company is incorporated in the Cayman Islands, and as at the date of this Agreement, 122,357,480 Shares (as defined below) are in issue and are fully paid; and
- (B) the Company now intends to issue and the Subscriber has agreed to subscribe for the Subscription Shares (as defined below), upon and subject to the terms and conditions set out herein.

NOW IT IS HEREBY AGREED AS FOLLOWS:-

1. **INTERPRETATION**

- (A) In this Agreement, and the Recitals hereto, the words and expressions set out below shall have the meanings attributed to them below unless the context otherwise requires:-

"Announcement"	the announcement to be made by the Company in relation to, inter alia, this Agreement and the proposed issue of the Subscription Shares;
"Annual Report"	the Company's published annual report containing the audited consolidated financial statements of the Group for the year ended 31 December 2023;
"Business Day"	any day (excluding Saturday and Sunday) on which banks in Hong Kong are open for business;
"Completion"	the completion of the subscription and issue of the Subscription Shares in accordance with Clause 3;

"Group"	the Company and its subsidiaries (as that term is defined in the Listing Rules);
"Hong Kong"	the Hong Kong Special Administrative Region of the PRC;
"Listing Permission"	the grant by the Stock Exchange of the listing of and permission to deal in the Subscription Shares;
"Listing Rules"	the Rules Governing the Listing of Securities on the Stock Exchange;
"Material Adverse Effect"	a material and adverse effect on the business, financial condition or prospects of the Group as a whole;
"PRC"	the People's Republic of China
"SGM"	the special general meeting of the Company to be convened and held to consider and, if thought fit, approve the Subscription Agreement and the transactions contemplated thereunder
"Share(s)"	ordinary share(s) of HK\$0.01 each in the share capital of the Company existing as at the date of this Agreement;
"Stock Exchange"	The Stock Exchange of Hong Kong Limited;
"Subscription"	the proposed subscription of the Subscription Shares by the Subscriber or his nominee as contemplated under this Agreement;
"Subscription Shares"	the 23,000,000 new Shares to be issued and allotted pursuant to this Agreement;
"Subscription Price"	HK\$0.20 per Subscription Share;
"%"	per cent.; and
"HK\$"	Hong Kong dollar(s), the lawful currency of Hong Kong.

- (B) In this Agreement, unless the context otherwise requires, any reference to a "Clause" or a "Schedule" is a reference to a clause or a schedule to this Agreement and, unless otherwise indicated, a reference to a Clause includes all the sub-Clauses of that Clause.
- (C) In this Agreement, words importing the singular include the plural and vice versa, words importing gender or the neuter include both genders and the neuter and references to persons include bodies corporate or unincorporate.

- (D) In this Agreement, references to statutory provisions shall be construed as references to those provisions as respectively amended or re-enacted (whether before or after the date hereof) from time to time and shall include any provision of which they are re-enactments (whether with or without modification) and any subordinate legislation made under such provisions, and references to time are to Hong Kong time.

2. **CONDITIONAL SUBSCRIPTION OF THE SUBSCRIPTION SHARES**

- (A) Subject to terms and conditions of this Agreement, the Subscriber agrees to subscribe for, and the Company agrees to issue the Subscription Shares to the Subscriber at the Subscription Price payable in cash on Completion.
- (B) The Subscription is conditional upon fulfilment of the following conditions:
- (i) the passing of an ordinary resolution at the SGM to approve this Agreement and the transactions contemplated thereunder by the Independent Shareholders by way of poll; and
 - (ii) the listing committee of the Stock Exchange having granted the listing of, and the permission to deal in, the Subscription Shares on the Stock Exchange.

None of the parties to this Agreement may waive any of the conditions set out above. In the event that any of the above conditions have not been fulfilled on or before 30 September 2024 (or such later date as the parties hereto may agree) (the “**Long Stop Date**”), this Agreement shall lapse automatically.

- (C) If the condition specified in Clause 2(B) is not fulfilled on or before the Long Stop Date, this Agreement shall terminate and neither party hereunder shall be liable to the others or have any claim against the other party for damages, compensation or otherwise save and except any liability for antecedent breaches of either party.

3. **COMPLETION**

- (A) Completion shall take place within ten Business Days immediately following the fulfilment of the condition precedent in Clause 2(B) whereupon all, but not part only, of the transactions set out in Schedule 1 shall be effected.
- (B) Neither the Subscriber nor the Company shall be obliged to complete the Subscription unless each Party complies in full with all of the obligations provided in this Agreement to be performed and/or observed by each of them on or prior to Completion.
- (C) As soon as practicable following Completion, the Company shall give instructions to its registrar in Hong Kong to update the register of members of the Company accordingly and to issue certificates for the Subscription Shares accordingly for the collection of the Subscriber.

4. **REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS**

(A) The Company hereby represents, warrants and undertakes to the Subscriber that as at the date hereof and as at Completion, subject to the matters disclosed in the Annual Report and/or in announcements or circulars made or despatched by the Company:-

(I) the Company is duly incorporated and validly existing under the laws of the place of its incorporation, is not in liquidation or receivership, and with power and authority to conduct its business in the manner presently conducted;

(II) the Company has the full power and authority to enter into and perform its obligations under this Agreement and, subject to the granting by the Listing Committee of the Stock Exchange (either unconditionally or subject only to conditions to which the Company does not reasonably object) of the Listing Permission, to allot and issue the Subscription Shares, and all necessary authorisations, approvals, and consents relating to the same (save for the Listing Permission which will be obtained before Completion) have been, or will, prior to Completion, be unconditionally obtained and are, or will, prior to Completion, be in full force and effect, and this Agreement is duly executed and delivered by the Company, constitutes a legal, valid and binding agreement of the Company, enforceable in accordance with its terms;

(III) the execution, delivery and performance of this Agreement by the Company have not violated and will not violate in any respect any provision of:

(a) any law or regulation or any order or decree of any governmental authority, agency or court of Hong Kong or any other jurisdiction nor result in a breach of any order, judgement or decree of any court or governmental agency to which the Company is a party or by which the Company is bound;

(b) the laws and documents incorporating and constituting the Company; or

(c) any agreement or other undertaking to which the Company is a party or which is binding upon them or any of its respective assets that may have a material adverse effect to the business, financial condition or operations of the Group (taken as a whole).

(IV) the Subscription Shares, when allotted and issue upon Completion, shall be validly issued and fully paid up and free from any encumbrance and together with all rights attaching thereto (including rights to vote in general meetings of the Company), the Company shall not have exercised any lien over any of the Subscription Shares and the Subscription Shares shall rank *pari passu* in all respects with the issued Shares on Completion;

(V) save as previously disclosed to the public in writing, and so far as the Company is aware, there is no litigation, arbitration or other legal proceedings in progress or pending or (to the knowledge of the Company) threatened against any member of the Group which if decided adversely to the relevant member of the Group would have or have had a material adverse effect on the financial position

or the earnings, business affairs or business prospects of the Group (taken as a whole) or the Company or which is material in the context of the subscription of the Subscription Shares;

(VI) there is no order, decree or judgement of any court or governmental agency or regulatory body outstanding 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 financial position or the earnings, business affairs or business prospects of the Company and/or any member of the Group or which is material in the context of the subscription of the Subscription Shares;

(VII) no order has been made or petition presented or resolution passed for the winding-up or judicial management or administration of the Company or for the appointment of a provisional liquidator, nor (to the knowledge of the Company) are there any reasonable grounds on which any person would be entitled to have the Company wound-up or placed in judicial management or administration or to have a provisional liquidator appointed for the Company, nor (to the knowledge of the Company), has any person threatened to present such a petition or convened or threatened to convene a meeting of the Company to consider a resolution to wind it up, nor to the knowledge of the Company, has any step been taken in relation to the Company under the law relating to insolvency or the relief of debtors;

(B) The representations and warranties set out in Clause 4 are given as at the date hereof and shall be deemed to be repeated by Company on Completion as if given or made at such time, with reference in each case to the facts and circumstances then subsisting. The Company undertakes up to and until completion of this Agreement or its earlier termination to notify the Subscriber of any matter or event coming to its attention prior to Completion which would or would reasonably be considered to render or have rendered any of the representations and warranties made by it set out in Clause 4(A) untrue, inaccurate or misleading in any material respect. The Company shall not, and shall use its best endeavours to procure that no member of the Group shall, at any time prior to or on Completion do or omit to do anything which may cause any of the representation and warranties made by it and set out in Clause 4(A) to be untrue.

5. **SUBSCRIBER'S REPRESENTATIONS, WARRANTIES AND CONFIRMATION**

The Subscriber represents, warrants and undertakes to the Company that:-

- (A) he is of full age and of sound mind and has full capacity to enter into and perform his obligations under this Agreement;
- (B) no order has been made or receiver appointed in respect of the Subscriber under the Mental Health Ordinance (Chapter 136 of the Laws of Hong Kong) nor has any step or procedure been taken in any jurisdiction which would:-
 - (i) restrict the ability or legal capacity of the Subscriber; or

- (ii) require the approval of a third party or any governmental agency in order for the Subscriber,

to enter into, or to perform his obligations under, this Agreement;

- (C) this Agreement is duly executed and delivered by him, constitutes a legal, valid and binding agreement on him and is enforceable in accordance with its terms;
- (D) the execution, delivery and performance of this Agreement by him have not violated and will not violate any provision of any law or regulation or any order or decree of any governmental authority, agency or court of Hong Kong or any other jurisdiction nor result in a breach of any order, judgement or decree of any court or governmental agency to which he is a party or by which he is bound;
- (E) he is a third party independent of the Company and its connected persons (as defined in the Listing Rules) and he does not have any interest in the Shares except pursuant to this Agreement;
- (F) all information provided and to be provided by him to the Company for inclusion in the Announcement including, but not limited to, the description and independence of him is and will be true, accurate and complete in all material aspects; and
- (G) on Completion, the Subscriber will have adequate financial resources available to him to enable him to meet his payment obligation under this Agreement.

6. **NOTICES**

Any notice required or permitted to be given by or under this Agreement shall be in writing and shall be given by delivering it to the relevant Party's address or facsimile number (or email if there is no facsimile number) shown below:-

If to the Company to:-

Address : Room 907B, 9/F., China Merchants Tower,
Shun Tak Centre,
168-200 Connaught Road Central,
Hong Kong
Facsimile : 2851 2990
Attention : The Company Secretary

If to the Subscriber to:-

Address : House D8
The NAPA
88 So Kwun Wat Road
Tuen Mun, NT
Hong Kong
Email : lzhhk666@gmail.com
Attention : Mr. Li Zhonghai

or to such other address or facsimile number (or email if there is no facsimile number) as the Party concerned may have been notified to the other Party pursuant to this Clause and may be given by sending it by hand to such address or by facsimile/email transmission to such facsimile number/email address, or to such other address or facsimile number or email address as the Party concerned may have notified to the other Party in accordance with this Clause. Such notice shall be deemed to be served on the day of delivery or facsimile transmission (or, if the day of delivery or transmission is not a Business Day or if the delivery or transmission is made after 5:00 p.m. Hong Kong time, deemed to be served on the immediately following Business Day) or, if sooner, upon acknowledgement of receipt by or on behalf of the Party to which it is addressed.

7. **COSTS AND EXPENSES**

Each Party shall bear its or his own costs and expenses incurred by it or him in connection with the preparation, negotiation and settlement of this Agreement.

8. **GENERAL**

- (A) Any time, date or period mentioned in this Agreement may be extended by agreement between the Company and the Subscriber 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.
- (B) No failure or delay by a 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 right, power or remedy. Without limiting the foregoing, no waiver by a 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.
- (C) Neither Party hereto shall assign any of its or his rights under this Agreement (all of which shall be incapable of assignment without the prior written consent of the other) or purport to do so. This Agreement shall be binding on and enure for the benefit of each Party's successors and permitted assigns.
- (D) This Agreement may be executed in any number of counterparts by the Parties hereto on separate counterparts, each of which when executed shall constitute an original and all of which when taken together shall constitute one and the same document.
- (E) This Agreement constitute the entire agreement between the Parties with respect to its subject matter (neither Party having relied on any representation or warranty made by the other Party which is not contained in this Agreement) and no variation of this Agreement shall be effective unless made in writing and signed by all of the Parties.
- (F) This Agreement supersedes all and any previous agreements, arrangements or understandings between the Parties relating to the matters referred to in this Agreement and all such previous agreements, understanding or arrangements (if any) shall cease and determine with effect from the date hereof.

- (G) If at any time any provision of this Agreement is or becomes illegal, void or unenforceable in any respect, the remaining provisions hereof shall in no way be affected or impaired thereby.
- (H) Each Party shall on demand of the other do or execute so procure to be done or executed all such further acts, deeds, things and documents as may be necessary to give effect to the terms of this Agreement.
- (I) The terms of this Agreement are intended solely for the benefit of the Parties. Except as otherwise expressly stated in this Agreement, no one other than the Parties may enforce any of its terms under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong). Where any terms of this Agreement entitles any third party to enforce any term of this Agreement under the Contracts (Rights of Third Parties) Ordinance, the terms of this Agreement may be varied in accordance with this Agreement, without the consent of that third party.

9. **GOVERNING LAW AND JURISDICTION**

This Agreement shall be governed by and construed in accordance with the laws of Hong Kong.

IN WITNESS whereof this Agreement has been duly executed on the date first above written.

SCHEDULE 1

COMPLETION REQUIREMENTS

1. Obligations of the Company

At Completion (and against performance by the Subscriber of his obligations in this Schedule), the Company shall:-

- (a) deliver to the Subscriber a certified copy of the resolution of the board of directors of the Company (or a duly authorised committee thereof) approving and authorising the issue and allotment of the Subscription Shares on the date of Completion; and
- (b) issue and allot the Subscription Shares as fully paid at the Subscription Price in the name of the Subscriber or its nominee.

2. Obligations of the Subscriber

At Completion, the Subscriber shall make or procure the making of payments to the Company in cleared funds, excluding any and all handling fees charged by the remitting bank, in Hong Kong dollars or equivalent Renminbi for the Subscription Price for value on the date of Completion to such bank account as may be notified by the Company to the Subscriber at least two (2) Business Days before Completion.

For the avoidance of doubt, if the Subscription Price is to be paid in Renminbi, it shall be paid at the exchange rate to be determined by the Company by reference to the prevailing exchange rate published by an authorised bank in Hong Kong on the date of remittance.

SIGNED by)
duly authorised for and on behalf of)
Winshine Science Company Limited)
(瀛晟科學有限公司))
in the presence of:-)

For and on behalf of
Winshine Science Company Limited
瀛 晟 科 學 有 限 公 司
.....
Authorized Signature(s)

SIGNED by)
for and on behalf of)
Hurray Talent Investment Development Limited)
(亨達投資發展有限公司))
in the presence of:-)

For and on behalf of
HURRAY TALENT INVESTMENT DEVELOPMENT LIMITED
亨 達 投 資 發 展 有 限 公 司
李 忠 海
.....
Authorized Signature(s)