

Execution copy

Dated: 19 August 2016

JUN YANG FINANCIAL HOLDINGS LIMITED
君陽金融控股有限公司
(as Vendor)

and

LUCKY FAMOUS LIMITED
(as Purchaser)

Agreement for the sale and purchase of
approximately 30% of the issued share capital of
JUN YANG SOLAR POWER INVESTMENT HOLDINGS LIMITED
君陽光電投資控股有限公司

Leung & Lau
Solicitors

Units 7208-10, 72nd Floor, The Center
99 Queen's Road C., Central, Hong Kong
(PL/KMK/11121/16(lr))

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THIS AGREEMENT is dated the 19th day of August 2016 and is made

BETWEEN:

- (1) **JUN YANG FINANCIAL HOLDINGS LIMITED** 君陽金融控股有限公司, a company incorporated in Bermuda with limited liability, whose registered office is at Canon's Court, 22 Victoria Street, Hamilton HM12, Bermuda and its head office and principal place of business in Hong Kong is at Unit 1105, 11/F, Wing On Plaza, 62 Mody Road, Tsim Sha Tsui East, Kowloon, Hong Kong ("**Vendor**"); and
- (2) **LUCKY FAMOUS LIMITED**, a company incorporated in the BVI with limited liability (Company No.: 1644024) whose registered office is at Palm Grove House, P.O. Box 438, Road Town, Tortola, the BVI ("**Purchaser**").

WHEREAS:

- (A) **JUN YANG SOLAR POWER INVESTMENT HOLDINGS LIMITED** 君陽光電投資控股有限公司 ("**Company**") is a company incorporated in the Cayman Islands with limited liability. As at the date hereof, the Company has an authorised share capital of US\$50,000 divided into 50,000 Shares (as defined below), 35,566 Shares of which have been issued and are fully paid or credited as fully paid. Further particulars of the Company are set out in Part A of Schedule 1. The Company owns interests in certain Subsidiaries. Particulars of the Subsidiaries are set out in Part B of Schedule 1. The structure of the Group as at the date of this Agreement and upon Completion is set out in Part C of Schedule 1.
- (B) The Vendor is a company incorporated in Bermuda with limited liability whose shares are listed on the Main Board of the Stock Exchange (as defined below) (Stock Code: 397). As at the date of this Agreement, the Vendor is the legal and beneficial owner of 35,566 Shares, representing 100% of the issued share capital of the Company.
- (C) The Purchaser is an indirect wholly-owned subsidiary of GET Holdings Limited ("**GET**"), a company incorporated in the Cayman Islands and continued in Bermuda with limited liability whose shares are listed on the Growth Enterprise Market of the Stock Exchange (Stock Code: 8100).
- (D) The Purchaser and the Vendor have agreed to enter into this Agreement specifying the definitive terms and conditions of the acquisition of the Sale Shares by the Purchaser from the Vendor.

NOW IT IS HEREBY AGREED as follows:

1. Interpretation

- 1.01 In this Agreement (including the Recitals and the Schedules), unless the context otherwise requires or permits:

"**2015 Accounts**" means the unaudited consolidated statement of financial position of the Company made up as at the 2015 Accounts Date and the unaudited consolidated

statement of profit or loss and other comprehensive income of the Group for the year ended the 2015 Accounts Date.

“**2015 Accounts Date**” means 31 December 2015.

“**Associates**” has the meaning as ascribed thereto in the GEM Listing Rules.

“**Board**” means the board of Directors.

“**Business**” means the solar energy business with a focus on development, construction, operation and maintenance of power station projects in the PRC.

“**Business Day**” means a day (excluding Saturday and any day on which a tropical cyclone warning no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for business.

“**BVI**” means the British Virgin Islands.

“**Companies Ordinance**” means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong).

“**Completion**” means completion of the sale and purchase of the Sale Shares in accordance with the terms of this Agreement.

“**Completion Accounts**” means the unaudited consolidated management accounts of the Company for the period commenced on 1 January 2016 and ended on the last day of the calendar month immediately preceding the Completion Date.

“**Completion Date**” means the fifth Business Day after the last outstanding Conditions Precedent (other than the Condition Precedent which is only capable of being fulfilled upon Completion) shall have been fulfilled or waived (or such other date as the Purchaser and the Vendor shall agree in writing) on which Completion is to take place.

“**Conditions Precedent**” means the conditions listed in Clause 3.01.

“**connected person**” has the meaning ascribed thereto in Chapter 20 of the GEM Listing Rules.

“**Consideration**” means the sum of HK\$34,500,000, being the aggregate consideration for the sale and purchase of the Sale Shares payable in the manner set out in Clause 4.

“**Deposit**” means the refundable deposit in the sum of HK\$5,000,000 payable by the Purchaser to the Vendor upon signing of this Agreement in accordance with Clause 4.01(1).

“**Director(s)**” means the director(s) of the Company.

“**Disposal**” means any sale, assignment, exchange, transfer, concession, loan, lease, surrender of lease, tenancy, licence, direct or indirect reservation, waiver, compromise, release, dealing with or in or granting of any option, right of first refusal or other right or interest whatsoever and includes any agreement so to do and “**Dispose**” shall be construed accordingly.

“**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.

“**GEM**” means the Growth Enterprises Market of the Stock Exchange.

“**GEM Listing Rules**” means the Rules Governing the Listing of Securities on GEM.

“**Group**” means the group of companies consisting of the Company and the Subsidiaries and the expressions “**Group Company**” and “**member of the Group**” shall be construed accordingly.

“**HK\$**” means Hong Kong dollars, the lawful currency of Hong Kong.

“**Hong Kong**” means the Hong Kong Special Administrative Region of the PRC.

“**Intellectual Property Rights**” means the Hong Kong, the PRC and foreign trade and/or service marks, patents, design patents, registered designs, copyrights, domain names, software copyrights, source codes, logos, labels, other trade-identifying symbols, Knowhow, trade or service marks or trade names (whether or not registered or registrable), all applications and rights for applications therefor and all other intellectual and industrial property rights which may subsist in any part of the world.

“**Knowhow**” means all industrial and commercial inventions, adoptions, information and technique including (without prejudice to the generality thereof) design and other specifications, computer programmes, drawings, test reports, design, production, operating and testing procedures, shop practices, instruction manuals, tables of operation conditions, lists and particulars of computer hardware and software, manufacturers, customers, suppliers, sub-contractors, consultants, and suppliers, marketing methods and procedures and mock up copy and drafts of any of the foregoing, including but not limited to the technology used for the purposes of carrying on the business of the Group (including the Business).

“**Leased Properties**” means the property leased and occupied by the Group as at the date of this Agreement.

“**Listing Rules**” means the Rules Governing the Listing of Securities on the Stock Exchange.

“**Long Stop Date**” means 31 December 2016 (or such later date as the Purchaser and the Vendor may agree in writing).

“**Management Accounts**” means the unaudited consolidated management accounts of the Company, comprising the unaudited consolidated balance sheet of the Company made up as at the Management Accounts Date and the unaudited consolidated profit and loss account of the Company for the period from 1 January 2016 to the Management Accounts Date, as exhibited hereto as Exhibit A.

“**Management Accounts Date**” means 31 May 2016.

“**PRC**” means the People’s Republic of China, which for the purpose of this Agreement, excludes Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan.

“**Purchaser’s Warranties**” means the representations, warranties and undertakings given by the Purchaser in Clause 9.

“**Related Party**” means (a) any shareholder of any Group Company, (b) any director of any Group Company, (c) any officer of any Group Company, (d) any relative of a shareholder, director or officer of any Group Company, (e) any person in which any Group Company, any shareholder, director or officer of any Group Company has any interest, other than a passive shareholding of less than five percent in a publicly listed company, or over which a Related Party exercises control or directorship position or ownership; and (f) any other affiliate of any Group Member.

“**Relief**” includes any relief, allowance, set-off or deduction in computing profits or any credit or right to repayment of Taxation available to the Group granted by or pursuant to any legislation concerning or otherwise relating to Taxation.

“**Sale Shares**” means the aggregate of 10,670 Shares, representing approximately 30% of the issued share capital of the Company as at Completion, beneficially owned by the Vendor immediately prior to Completion.

“**Share(s)**” means ordinary share(s) of par value US\$1.00 each in the share capital of the Company.

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited.

“**Subsidiaries**” means the subsidiaries of the Company, brief particulars of which are set out in Part B of Schedule 1 and “**Subsidiary**” shall be construed accordingly.

“**Tax and Other Indemnity**” means the deed of indemnity in respect of Taxation and other liabilities of the Group to be entered into by the Vendor and the Purchaser upon Completion which shall be in the agreed form.

“**Taxation**” means (i) any liability to any form of taxation whenever created or imposed and whether of Hong Kong, the PRC or of any other part of the world and without prejudice to the generality of the foregoing includes profits tax, provisional profits tax, business tax, interest tax, salaries tax, property tax, taxes on income, estate

duty, capital duty, stamp duty, payroll tax, value added tax, land appreciation tax, lease registration tax, capital gain tax, death duty, withholding tax, rates, import customs and excise duties and generally any tax, duty impost, levy or rate or any amount payable to the revenue, customs or fiscal authorities of local, municipal, provincial, national, state or federal level whether of Hong Kong, the PRC or of any other part of the world; (ii) an amount equal to any deprivation of any Relief, allowance, credit, 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 whether or not the said deprivation results in any taxation being payable at the time of such deprivation; and (iii) all costs, interest, penalties, charges, expenses, fine and additional sum incidental or relating to taxation or to any relief, allowance, set-off or deduction in computing profits or right to repayment of taxation to the extent that the same is/are payable or suffered by any members of the Group or of GET (as the case may be).

“**Transaction Documents**” means this Agreement and any other documents required or necessary for the transactions contemplated under this Agreement.

“**US\$**” means United States dollars, the lawful currency of the United States of America.

“**Vendor’s Warranties**” means the representations, warranties and undertakings given by the Vendor in Clause 8 and in Schedule 2.

1.02 In this Agreement, unless the context otherwise requires:

- (1) references to Clauses, Schedules and Exhibit are to the clauses of, schedules and exhibit to this Agreement;
- (2) references to any Ordinance, law, regulation (including the Listing Rules and the GEM Listing Rules) or statutory provision of any jurisdiction includes reference to such ordinance or law or regulation or provision as modified, consolidated or re-enacted from time to time and includes subsidiary legislation made thereunder;
- (3) references to the singular include the plural and *vice versa*; words importing a gender include every gender;
- (4) references to a person include an individual, firm, body corporate or unincorporate and trustee and include a reference to that person’s legal personal representatives and successors;
- (5) words and expressions defined in the Companies Ordinance shall bear the same respective meanings when used herein;
- (6) a body corporate shall be deemed to be associated with another body corporate if it is a holding company or a subsidiary of that other body corporate or a subsidiary of a holding company of that body corporate;
- (7) references to writing shall include typewriting, printing, lithography,

photography, telefax and telex messages and other modes of reproducing words in a legible and non-transitory form;

- (8) references to time are to Hong Kong time and 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;
 - (9) references to this Agreement (or any specific provision hereof) or any other document shall be construed as references to this Agreement, that provision or that other document as amended, varied or modified from time to time;
 - (10) the expressions “Vendor” and “Purchaser” shall, where the context permits, include their respective successors and permitted assigns;
 - (11) references to any action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than Hong Kong, references to such action, remedy or method of judicial proceedings for the enforcement of rights or creditors available or appropriate in such jurisdiction as shall most nearly approximate thereto;
 - (12) references to costs, charges, remuneration or expenses shall include any value added tax, turnover tax or similar tax charged in respect thereof; and
 - (13) references to a document being “in the agreed form” means in such form as may following the date of this Agreement be agreed between the Purchaser and the Vendor, both acting reasonably.
- 1.03 The Schedules form part of this Agreement and have the same force and effect as if expressly set out in the body of this Agreement.
- 1.04 In construing this Agreement:
- (1) the rule known as the ejusdem generis rule shall not apply and accordingly general words introduced by the word “other” shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
 - (2) general words shall not be given a restrictive meaning by particular examples intended to be embraced by the general words.
- 1.05 The clause headings and table of contents (if any) in this Agreement are inserted for convenience of reference only and shall not affect the construction of this Agreement.

2. Sale and Purchase

- 2.01 Subject to the terms and conditions of this Agreement, the Vendor shall sell the Sale Shares as beneficial owner, and the Purchaser shall, relying on the Vendor’s Warranties, purchase or procure the purchase of the Sale Shares free from all Encumbrances and together with all rights now or hereafter attaching thereto including all dividends or distributions which may be paid, declared or made in

respect thereof at any time on or after the Completion Date.

- 2.02 The Purchaser shall not be obliged to purchase any of the Sale Shares unless the sale and purchase of all the Sale Shares are completed simultaneously.

3. Conditions Precedent

3.01 Completion shall be conditional upon and subject to the following conditions:

- (1) the Purchaser having carried out and completed the due diligence review of the Group (whether legal, accounting, financial, operational or other aspects that the Purchaser considers necessary) and being satisfied with the results of the due diligence review of the Group and the related business, assets, liabilities, activities, operations, financial position and prospects of the Group in all respects;
- (2) (where applicable) all the notification, publication and/or shareholders' approval requirements under Chapter 19 of the GEM Listing Rules for this Agreement and the transactions contemplated hereunder including the acquisition by the Purchaser of the Sale Shares having been complied with by GET;
- (3) (where applicable) all the notification, publication and/or shareholders' approval requirements under Chapter 14 of the Listing Rules for this Agreement and the transactions contemplated hereunder including the disposal by the Vendor of the Sale Shares having been complied with by the Vendor;
- (4) all licences, approvals and consents required by the Group for carrying on the Business having remained valid and in full force and effect and not being revoked or cancelled by relevant organisation or regulatory authority and no circumstances or events that may result in the revocation and/or cancellation of such licences, approvals and consents have occurred up to Completion;
- (5) all the Vendor's Warranties will remain true and correct and not misleading in all material respects as at the Completion Date;
- (6) all requisite consents, clearances, authorisations and approvals (or, as the case may be, the relevant waivers) in connection with the entering into and performance of the terms of this Agreement having been obtained by the parties hereto;
- (7) the consummation of the transactions contemplated under this Agreement shall not have been restrained, enjoined or otherwise prohibited by any applicable laws and regulations, including any order, injunction, decree or judgment of any court or other governmental authority; and
- (8) there being no material adverse change to the business, assets and financial conditions of the Group since the Management Accounts Date.

3.02 The Purchaser may waive the Conditions Precedent (other than those set out in

Clauses 3.01(2), (3), (6) and (7)) at any time before the Long Stop Date in whole or in part by notice in writing to the Vendor. Save as aforesaid, none of the Conditions Precedent is capable of being waived.

3.03 If the Conditions Precedent shall not have been fulfilled (or waived in accordance with Clause 3.02) in full on or before 5:00 p.m. on the Long Stop Date, all rights and obligations of the parties hereunder shall cease and terminate, save and except for (i) those pursuant to Clauses 11 to 15 (both inclusive) which provisions shall remain in full force and effect, and (ii) the Vendor shall refund the Deposit to the Purchaser within 7 Business Days from the date of such termination without interest, no party shall have any claim against the other save for claim (if any) in respect of such continuing provisions or any antecedent breach hereof.

3.04 The Vendor shall use its best endeavours to procure that all information and documents relating to it and the Group reasonably required by the Purchaser:

- (1) for the purposes of preparing any announcements and (if applicable) circulars required pursuant to the GEM Listing Rules or at the request of the Stock Exchange to be made by GET after the signing of this Agreement in connection with this Agreement and the transactions contemplated hereunder; and
- (2) as otherwise may be required by the Stock Exchange for the purposes of its vetting of any document referred to in Clause 3.04(1);

is made available to the Purchaser and its advisers in a timely manner upon request for such information by the Purchaser or its advisers.

3.05 The parties hereto shall respectively use their best 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 or to waive any condition) 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 fulfilment.

3.06 The Vendor shall use his best endeavours to obtain the consent of all necessary parties with whom any member of the Group has entered into contracts so that all material arrangements will not be affected by Completion, including, without prejudice to the generality of the foregoing, the consent of lenders of banking facilities (if any) and other material financing arrangements to the extent that such consent is necessary for the financing arrangements to continue on unchanged terms upon Completion.

4. Consideration

4.01 The Consideration is HK\$34,500,000 and shall be payable by the Purchaser to the Vendor in the following manner:

- (1) the Deposit shall be paid upon signing of this Agreement as refundable deposit;

and

(2) the balance of the Consideration shall be paid upon Completion.

4.02 The Consideration shall be paid by transfer of clear and immediately available funds to a bank account of a licenced bank in Hong Kong as designated by the Vendor (or in such any other manner as agreed between the Vendor and the Purchaser), without any withholding or deduction.

5. Due Diligence

5.01 The Purchaser shall be entitled to carry out a due diligence review and investigation of the assets, liabilities, financial condition, contracts, commitments and business of the Group. Such due diligence review to be completed as soon as reasonably practicable but in any event on or prior to the Long Stop Date. In order to facilitate such due diligence review, as from the date of this Agreement and up to and including the Long Stop Date, the Vendor shall procure that the Purchaser and any persons authorised by it will be given all such information relating to the Group and such access to the premises and all books, title deeds, records, accounts and other documentation of the Group as the Purchaser may request and, without prejudice to the generality of the foregoing, shall make available and procure that the Group shall make available to authorised representatives of the Purchaser:

- (1) the books of account of the Group, including all accounts and ledgers;
- (2) the statutory books of the Group;
- (3) a list of the assets, liabilities and receivables of the Group;
- (4) details of all bank accounts of the Group (including, the name and address of the bank with whom the account is kept and the number and nature of the account) and a statement of the credit or debit balance thereon as at the close of business on a date not being more than 5 days prior to the date of this Agreement;
- (5) copies of all licences, agreements, agencies or other such documents as affect the management and operation of the Group concerned;
- (6) copies of all documents entered into or to be entered into by and among the Group and the Vendor;
- (7) copies of all banking facility documentation entered into by the Group; and
- (8) copies of all guarantees and any security documents entered into by the Group.

5.02 The Vendor shall procure that the officers and employees of the Group shall be instructed to give promptly as far as practicable all such information and explanations to the Purchaser or its representatives as may be requested by them.

5.03 The Purchaser shall notify the Vendor in writing on or before the Long Stop Date

whether the Condition Precedent set out in Clause 3.01(1) has been fulfilled following the due diligence review of the Group by the Purchaser pursuant to Clause 5.01, failing which, unless otherwise agreed by the Purchaser and the Vendor in writing, the Condition Precedent set out in Clause 3.01(1) shall be deemed as fulfilled on the Long Stop Date.

6. Pre-completion Matters

6.01 The Vendor hereby undertakes to the Purchaser that the business of the Group from the date of this Agreement up to (and including) Completion will be operated in a normal and prudent manner and in the ordinary course of day-to-day operations. The Vendor further undertakes to the Purchaser that it will not do or will not omit to do (or allow to be done) any act or thing (in either case whether or not in the ordinary course of day-to-day operations) which is material and in particular (but without limiting the generality of the foregoing) will procure that no member of the Group will prior to Completion (without the prior written consent of the Purchaser):

- (1) issue or agree to issue or place or agree to place any share or equity capital or issue or agree to issue any loan capital or grant or agree to grant or redeem or agree to redeem any option or amend or agree to amend the terms of any existing option over or right to acquire or subscribe any of its share or loan capital; or
- (2) amend the constitutional documents of the Company or any Group Company; or
- (3) declare or pay or make any dividends or other distributions; or
- (4) transfer or Dispose of equity interest of any Group Company; or
- (5) borrow or otherwise raise money or incur or discharge any indebtedness in excess of HK\$1,000,000; or
- (6) enter into or amend any material contract or other material transaction or capital commitment or incur or allow to arise any material contingent liability in excess of HK\$1,000,000; or
- (7) in any respect depart from the ordinary course of its day-to-day business; or
- (8) terminate prematurely any agreement, arrangement or understanding or waive any right of material value; or
- (9) repay any loan or indebtedness due to the Vendor or any of its respective Associates or connected persons; or
- (10) create or permit to arise any Encumbrance of whatsoever nature, on or in respect of any part of its undertaking, property or assets other than liens arising by operation of law in amounts which are not material; or
- (11) make any advances or other credits to any third party or give any guarantee,

- indemnity, surety or security or create any Encumbrance; or
- (12) Dispose or agree to Dispose of or acquire or agree to acquire any asset; or
 - (13) enter into any joint venture, partnership or profit share arrangement; or
 - (14) engage any employee or dismiss other than for just cause any employee or make any material variation to the terms and conditions of employment of any employees or provide or agree to provide any gratuitous payment or benefit to any employee or any of their dependents; or
 - (15) enter into, amend, terminate or Dispose of any tenancy or lease agreement in respect of any property or acquire or Dispose of any interest in any property; or
 - (16) start any civil, criminal, arbitration or other proceedings; or
 - (17) start, settle, compromise, release, discharge or compound any civil, criminal, arbitration or other proceedings or any liability, claim, action, demand or dispute or waive any right in respect of the foregoing; or
 - (18) release, compromise or write off any material amount recorded in the books of account of any member of the Group as owing by any debtors of the Group; or
 - (19) change (whether increase or reduce) the amount that the Vendor is currently owing to the Group as shown on the Management Accounts (if any); or
 - (20) terminate any or allow to lapse any insurance policy now in effect; or
 - (21) alter the terms of any financing/lending documents or security arrangements; or
 - (22) purchase or redeem any shares in the Company and/or any Group Company or provide financial assistance for any such purchase; or
 - (23) acquire any material assets on hire purchase or deferred terms; or
 - (24) Dispose of the ownership, possession, custody or control of any corporate or other books or records; or
 - (25) propose or pass any shareholders' resolution at any general meeting which is a special business and not in connection with this Agreement or transactions contemplated hereunder or incidental hereto, save for the proposal of and the passing of any shareholders' resolution regarding the ordinary business at any of their respective annual general meeting; or
 - (26) enter into any transaction or arrangement, other than for full consideration and on arms-length terms; or
 - (27) allow or permit the occurrence of any change (or effect) which has a material

and adverse effect on the financial position, business or property or results of operations, of the Group; or

- (28) do, allow or procure any act or permit any omission which would constitute a breach of any of the Vendor's Warranties and other undertakings given by the Vendor under this Agreement.

6.02 Subject always to the compliance with the applicable laws, rules and codes, the Vendor further undertakes to procure that the Group shall not during the period from the date of this Agreement and ending on the Completion Date do anything that may delay, hinder or frustrate the completion of this Agreement

7. Completion

7.01 Upon fulfilment or (if applicable) waiver of all the Conditions Precedent, Completion shall take place at Room 1703, 17/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong at 3:00 p.m. on the Completion Date which all (and not part only) the acts and requirements set out in Clause 7.02 shall be complied with (or at such other place or time as the Purchaser and the Vendor may agree).

7.02 At Completion:

- (1) the Vendor shall deliver or cause to be delivered to the Purchaser (unless already delivered prior to Completion or waived by the Purchaser):
 - (a) valid instrument of transfer in respect of the Sale Shares owned by the Vendor duly executed by it in favour of the Purchaser (or its nominee) accompanied by the relevant duly signed, sealed and cancelled certificate of the Sale Shares issued in the name of the Vendor;
 - (b) the original share certificate in respect of the Sale Shares issued in the name of the Purchaser (or its nominee) and a copy of the updated register of members of the Company recording the transfer of the Sale Shares to the Purchaser (or its nominee) as certified as true and complete by a Director;
 - (c) (if applicable) all powers of attorney or other authorities under which the transfer in respect of the Sale Shares have been executed by or on behalf of the Vendor;
 - (d) (if applicable) such waivers, consents or other documents as may be required to give good title to the Sale Shares to the Purchaser (or its nominee) and to enable the Purchaser (or its nominee) to be registered as the holders of the Sale Shares;
 - (e) written confirmation from the Vendor that it is not aware of any matter or thing which is in breach of or inconsistent with any of the Vendor's Warranties; and
 - (f) a copy, certified as true and correct by a Director, of the resolutions of

the Board referred to in Clause 7.02(2);

- (g) the Tax and Other Indemnity duly executed by the Vendor; and
- (h) a copy, certified as true and correct by a director of the Vendor, of the resolutions of the meeting of the board of directors of the Vendor approving the execution and performance of this Agreement and the transactions contemplated hereunder; and

(2) the Vendor shall cause the following resolutions be passed by the Board:

- (a) the approval for the transfer of the Sale Shares to the Purchaser (or its nominee) and the registration of such transfer in the Company's Register of Members;
- (b) the issue of new share certificate in respect of the Sale Shares to the Purchaser (or its nominee); and
- (c) the approval or noting of such other matters as may be incidental to the above matters and/or the Completion; and

(3) the Purchaser shall pay to the Vendor the balance of the Consideration in accordance with Clause 4.01(2).

7.03 Neither party hereto shall be obliged to complete the sale and purchase of the Sale Shares or perform any obligations hereunder unless the other party hereto complies with the requirements of Clause 7.02.

7.04 Without prejudice to any other remedies available, if any party hereto shall be unable to comply with any of its obligations under Clause 7.02 on the Completion Date, the party not in default may by notice (without prejudice to its rights hereunder):

- (1) defer Completion to a date not more than 28 days after the Completion Date (and so that the provisions of this Clause 7 shall apply to Completion as so deferred); or
- (2) proceed to Completion so far as practicable; or
- (3) rescind this Agreement, whereupon all rights and obligations of the parties hereunder shall cease and terminate, save and except for (i) those pursuant to Clause 11 to 15 (both inclusive) which provisions shall remain in full force and effect, and (ii) the Vendor shall refund the Deposit to the Purchaser within 7 Business Days from the date of such termination without interest, and no party shall have any claim against the other save for claim (if any) in respect of such continuing provisions or any antecedent breach hereof.

8. Representations, Warranties and Undertakings of the Vendor

8.01 The Vendor hereby represents, warrants and undertakes to the Purchaser (to the intent that the provisions of this Clause shall continue to have full force and effect

notwithstanding Completion) in the terms set out in Schedule 2 and the warranties set out in this Clause 8 and acknowledge that the Purchaser in entering into this Agreement is relying on such representations, warranties and undertakings and that the Purchaser shall be entitled to treat the same as conditions of this Agreement.

- 8.02 No information contained in any of the documents or materials furnished by the Vendor and/or the Group to the Purchaser or the Purchaser's professional advisers (whether before or after execution of this Agreement), no information relating to the Group of which the Purchaser has knowledge (actual or constructive) and no investigation (whether or not carried out as part of the Purchaser's due diligence review) by or on behalf of the Purchaser shall qualify any of the Vendor's Warranties or prejudice any claim made by the Purchaser under the Vendor's Warranties or operate to reduce any amount recoverable. It shall not be a defence to any claim against the Vendor under the Vendor's Warranties that the Purchaser knew or ought to have known or had constructive knowledge of any information relating to the circumstances giving rise to such claim.
- 8.03 The Vendor's Warranties set out in each paragraph of Schedule 2 shall be separate and independent and save as expressly provided shall not be limited by reference to any other paragraph or anything in this Agreement or the Schedules.
- 8.04 The Vendor's Warranties set out in each paragraph of Schedule 2 shall be deemed to be repeated as at Completion as if all references therein to the date of this Agreement were references to the date of Completion and relate to the facts and circumstances then existing.
- 8.05 The Vendor will before the Completion promptly notify the Purchaser in writing of any matter or thing of which the Vendor become aware which is a material breach of or materially inconsistent with any of Vendor's Warranties.
- 8.06 The Vendor undertakes to indemnify and keep indemnified the Purchaser from and against all reasonable claims, liabilities, losses, costs and expenses which the Purchaser may suffer or incur or which may be made against the Group either before or after the commencement of and arising out of, or in respect of, any action in connection with:
- (1) the breach of any provision of this Agreement by the Vendor and the Vendor's Warranties;
 - (2) the settlement of any claim that any of the Vendor's Warranties is untrue or misleading or has been breached in any aspects;
 - (3) any legal proceedings taken by the Purchaser claiming that any of the Vendor's Warranties is untrue or misleading or has been breached and in which judgment is given for the Purchaser; and
 - (4) the enforcement of any such settlement or judgment.
- 8.07 The Vendor's Warranties shall remain in full force and effect after and

notwithstanding Completion and accordingly the rights and remedies of the Purchaser in respect of any breach of the Vendor's Warranties shall not be affected by Completion or by any investigation made by or on behalf of the Purchaser into the affairs of the Group or by the Purchaser rescinding, or failing to rescind this Agreement, or failing to exercise or delaying the exercise of any right or remedy, or by any other event or matter whatsoever, except a specific and duly authorised written waiver or release or expressly provided herein and no single or partial exercise of any right or remedy shall preclude any further or other exercise.

- 8.08 The Purchaser shall be entitled to take action both before and after Completion in respect of any breach or non-fulfilment of any of the Vendor's Warranties and Completion shall not in any way constitute a waiver of any right of the Purchaser unless expressly provided herein.
- 8.09 Each of the Vendor's Warranties is made or given to the best of the information, knowledge and belief of the Vendor. The Vendor undertakes, in relation to any Vendor's Warranties which refers to the knowledge of the Vendor that the Vendor has made reasonable enquiry into the subject matter of the Vendor's Warranty.
- 8.10 The Vendor undertakes that it will procure the Company to deliver the Completion Accounts to the Purchaser within 45 days after the Completion Date.
- 8.11 The Vendor undertakes that it will procure the Company to deliver the consolidated management accounts of the Company and the management accounts of each Group Company for each quarter of a financial year within 45 days after the end of each such quarter of a financial year.
- 8.12 Notwithstanding any other provisions of this Agreement, the liability of the Vendor in respect of any claim for breach of the Vendor's Warranties shall be limited as follows:
- (1) the aggregate maximum liability of the Vendor in respect of all the Purchaser's claims shall not exceed the Consideration; and
 - (2) the Vendor shall not be liable in respect of any Purchaser's claim unless and until the amount that would otherwise be recoverable from the Vendor in respect of the Purchaser's claim exceeds HK\$100,000.
- 8.13 Notwithstanding any other provisions of this Agreement and without prejudice to Clause 8.12, the Vendor shall not be liable for any breach of the Vendor's Warranties or any Purchaser's claim:
- (1) to the extent that such breach relates to any matters which have been reasonably disclosed in this Agreement, in the 2015 Accounts and the Management Accounts;
 - (2) to the extent that provision or reserve in respect thereof has been made in the 2015 Accounts and the Management Accounts;

- (3) which arises as a result of legislation which comes into force after the date hereof or any change of law or administrative practice in each case which is retrospective in effect; and
 - (4) which arises as a result of a change in accounting policies or practices of the Group after Completion.
- 8.14 (1) Claims against the Vendor in respect of any breach of any Vendor's Warranties shall be wholly barred and unenforceable unless written particulars thereof (giving the facts and circumstances of the specific matter or claim in respect of which such claim is made) shall have been given in writing to the Vendor within a period of 12 months after the Completion Date.
- (2) Any claim in respect of which notice has been given in accordance with Clause 8.14(1) will be deemed to have been irrevocably withdrawn and lapsed if (not having been previously satisfied, settled or withdrawn) proceedings in respect of such claim have not been issued and served on the Vendor within 12 months after the date of such notice.

9. Representations and Warranties of the Purchaser

- 9.01 The Purchaser represents, warrants and undertakes to the Vendor (to the intent that the provisions of this Clause shall continue to have full force and effect notwithstanding Completion) that:
- (1) it is a company duly incorporated and validly existing under the laws of its incorporation;
 - (2) this Agreement constitutes legal, valid and binding obligations on it in accordance with its terms;
 - (3) it has the legal right and full power and authority to enter into and perform this Agreement and transactions contemplated hereunder; and
 - (4) no order has been made, petition presented, resolution passed or meeting convened for its winding up. There are no cases or proceedings under any applicable insolvency or similar laws in any relevant jurisdiction and no events have occurred which, under applicable laws, would justify any such cases or proceedings.
- 9.02 (1) Claims against the Purchaser in respect of any material breach of any Purchaser's Warranties shall be wholly barred and unenforceable unless written particulars thereof (giving the facts and circumstances of the specific matter or claim in respect of which such claim is made) shall have been given in writing to the Purchaser within a period of 12 months after the Completion Date.
- (2) Any claim in respect of which notice has been given in accordance with Clause 9.02(1) will be deemed to have been irrevocably withdrawn and lapsed if (not having been previously satisfied, settled or withdrawn) proceedings in respect of such claim have not been issued and served on the Purchaser within

12 months after the date of such notice.

- 9.03 The aggregate maximum liability of the Purchaser in respect of claims for breach of the Purchaser's Warranties shall not exceed the Consideration.
- 9.04 The Purchaser's Warranties set out in Clause 9.01 shall be deemed to be repeated as at the Completion as if all references therein to the date of this Agreement were references to the date of Completion and relate to the facts and circumstances then existing.
- 9.05 The Purchaser will before the Completion promptly notify the Vendor in writing of any matter or thing of which the Purchaser becomes aware which is a material breach of or materially inconsistent with any of Purchaser Warranties.

10. Reserved Matters

- 10.1 Subject to and upon Completion, where questions arise or resolutions are proposed at any general meeting of the Company or any meeting of the Board or committee of the Board (as the case may be) in respect of the following matters, the affirmative vote of the Purchaser or its representative, attorney or proxy at such general meeting or the prior written consent of the Purchaser shall be required to decide on such questions or pass any such resolutions (as the case may be):
- (1) increase the amount of its issued share capital, grant any option or other interest (in the form of convertible securities or in any other form) over or in its share capital, redeem or purchase any of its own shares or effect any other reorganisation of its share capital, which may in any way, result in a dilution of shareholding of the Purchaser in the Company;
 - (2) employ or dismiss any key or senior employee of the Company, including 白亮 (Bai Liang) and 彭立斌 (Peng Libin);
 - (3) form any subsidiary or acquire shares in any other company or participate in any partnership or joint venture (incorporated or not) involving an investment amount of US\$25,000,000 or more; or
 - (4) wind up, liquidate or dissolve the Company or 北京君陽投資有限公司.
- 10.2 Deleted.
- 10.3 Deleted.
- 10.4 In the case of a transfer of Shares by the Vendor, the Vendor shall cause any person or entity who acquires Shares, whether by transfer, pledge, assign or otherwise to become a shareholder of the Company, to execute a deed of adherence ("**Deed of Adherence**") to comply with and agree to be bound by this Clause 10. Execution of the Deed of Adherence by such person or entity shall be a condition of any acquisition of such Shares by such person or entity.

11. Confidentiality

- 11.01 The Purchaser hereby undertakes that it will not prior to Completion, save as required by law, divulge any confidential information relating to the Group obtained by it or its representatives pursuant to this Agreement to any person other than its own officers, employees or professional advisers.
- 11.02 In the event of this Agreement ceasing to have effect, the Purchaser undertakes to return to the Vendor all information and documents concerning the Group which have been provided to the Purchaser by the Vendor in connection with this Agreement and also undertakes not to use any confidential information concerning the Group gained by it to further itself in its trade or to the detriment of the Group unless such information had already been known to the Purchaser or had become or subsequently becomes public knowledge otherwise than by reason of any act or default of the Purchaser, its advisers or employees.
- 11.03 Save for the announcement(s) and the circular(s) relating to this Agreement required to be issued pursuant to the GEM Listing Rules and the Listing Rules and such disclosure as may be required by the Stock Exchange or other regulatory authorities, neither of the parties hereto shall make any announcement or release or disclose any information concerning this Agreement or the transactions herein referred to or disclose the identity of any of the other party (save for disclosure to their respective professional advisers under a duty of confidentiality or to the Stock Exchange for the purposes of vetting any announcement(s), circular(s) or document(s) as required under the GEM Listing Rules and the Listing Rules) without the written consent of the other party.

12. Costs and Expenses

- 12.01 Each party shall pay its own costs and expenses in relation to the negotiations leading up to the sale and purchase of the Sale Shares, to the preparation and execution and performance of its obligations under this Agreement.
- 12.02 All or any stamp duty (if any) payable on the instrument of transfer or any other document in relation to the sale and purchase of the Sale Shares shall be borne by the Vendor on the one part and the Purchaser on the other part equally.

13. Miscellaneous

- 13.01 Time shall be of the essence of this Agreement, both as regards the dates and periods specifically mentioned and as to any dates and periods which may, by agreement in writing between or on behalf of the Vendor and the Purchaser, be substituted for them.
- 13.02 Each of the parties hereby undertakes to the other party that it will do all such acts and things and execute all such deeds and documents as may be necessary or desirable to carry into effect or to give legal effect to the provisions of this Agreement and the transactions hereby contemplated.
- 13.03 If any provision of this Agreement shall be held to be illegal or unenforceable, in whole or in part, under any enactment or rule of law, the provision shall to that extent

be deemed not to form part of this Agreement and the enforceability of the remainder of this Agreement shall not be affected. The illegality and unenforceability of any provision in any jurisdiction shall not affect its legality and enforceability in another jurisdiction.

- 13.04 Any provision of this Agreement which is capable of being performed after but which has not been performed at or before Completion and all the warranties, indemnities and other undertakings contained in this Agreement shall remain in full force and effect notwithstanding Completion.
- 13.05 Notwithstanding any rule of law or equity to the contrary, no failure on the part of either party to exercise and no delay on its part in exercising any right hereunder will operate as a release or waiver thereof, nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise of it or the exercise of any right or prejudice or affect any right against the other of them under the same liability whether joint, several or otherwise.
- 13.06 This Agreement supersedes all previous agreements or arrangements between the parties hereto (and their respective Associates or affiliated parties) in relation to the sale and purchase of the Sale Shares and the other subject matters of this Agreement, with the exception of the undertakings exchanged between the parties hereto (and their respective Associates or affiliated parties) to maintain confidentiality in respect of information disclosed by one party to the other in the course of negotiations leading up to the execution of this Agreement. Save as aforesaid, all or any such previous agreements or arrangements (if any) shall cease and determine with effect from the date hereof and the parties acknowledge that no claim shall arise in respect of any agreement so superseded by this Agreement.
- 13.07 This Agreement contains the entire agreement between the parties relating to the transactions provided for herein and there are no other warranties, conditions or terms applicable thereto whether express or implied.
- 13.08 Any variation to this Agreement shall be binding only if it is recorded in a document signed by the parties herein.
- 13.09 Nothing herein contained shall affect the right of any of the parties hereto to take proceedings to enforce specific performance should the other party or parties fail and/or refuse to complete the sale and purchase of the Sale Shares in accordance with the terms and conditions of this Agreement.
- 13.10 This Agreement shall be binding upon each party's successors and assigns and personal representatives and none of the rights of the parties under this Agreement may be assigned or transferred without the prior written consent of the other party hereto.
- 13.11 This Agreement may be executed in any number of counterparts each of which when executed and delivered is an original, but all the counterparts together constitute the same document. Any of the parties hereto may execute this Agreement on a facsimile copy counterpart and deliver its signature and seal by facsimile.

13.12 Each of the parties hereto who has executed this Agreement agrees to be bound by this Agreement notwithstanding that any others of the parties who were intended to sign or to be bound may not do so or to be effectually bound and notwithstanding that this Agreement may be or become invalid or unenforceable against any one or more of such persons.

14. Notices

14.01 Any notice, claim, demand, court process, document or other communication to be given under this Agreement (collectively “**communication**” in this Clause 14) shall be in writing in the English language and may be served or given personally or sent to the address (including cable address), or facsimile numbers (if any) stated in this Clause 14.01, or to such other address as may have been last notified in writing by such party to the party serving the communication specifically referring to this Agreement.

The Purchaser

Address: Room 1703, 17/F, Harcourt House, 39 Gloucester Road,
Wanchai, Hong Kong
Facsimile: (852) 2810 8318
For the attention of: Mr. Kuang Hao Kun Giovanni

The Vendor

Address: Unit 1105, 11/F, Wing On Plaza, 62 Mody Road, Tsim Sha
Tsui East, Kowloon, Hong Kong
Facsimile: (852) 2270 6601
For the attention of: Mr. Siu Kam Chau

14.02 All communication shall be served by the following means and the addressee of a communication shall be deemed to have received the same within the time stated adjacent to the relevant means of despatch:

<u>Means of despatch</u>	<u>Time of deemed receipt</u>
Local mail or courier	24 hours
Facsimile	on despatch
Air courier/Speedpost	3 days
Airmail	5 days

14.03 A communication served in accordance with Clause 14.02 shall be deemed sufficiently served. In proving service and/or receipt of a communication, it shall be sufficient to prove that such communication was left at the addressee’s address or that the envelope containing such communication was properly addressed and posted or despatched to the addressee’s address or that the communication was properly transmitted by facsimile to the addressee. In case of facsimile transmission, such transmission shall be deemed properly transmitted on receipt of a satisfactory report of transmission printed out by the sending machine.

14.04 Nothing in this Clause 14 shall preclude the service of communication or the proof of such service by any mode permitted by law.

15. Governing Law, Jurisdiction and Process Agent

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

15.02 The Purchaser hereby irrevocably appoints Mr. Kuang Hao Kun Giovanni of Room 1703, 17/F, Harcourt House, 39 Gloucester Road, Wanchai, Hong Kong as its agent to accept service of legal process out of the courts of Hong Kong in connection with this Agreement. The Purchaser further agrees to maintain a duly appointed agent in Hong Kong to accept service of process out of the courts of Hong Kong and to keep the Vendor informed of the name and address of such agent. Service on the Purchaser's agent above (or such other agent as may be notified by the Purchaser to the Vendor from time to time) shall be deemed to be service on it.

15.03 Unless otherwise provided herein, a person or company who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Ordinance (Cap. 623, the Laws of Hong Kong) to enforce any term of this Agreement.

SCHEDULE 1

Part A - Details of the Company

Name of Company : Jun Yang Solar Power Investment Holdings Limited
君陽光電投資控股有限公司

Company number : OI-239172

Date of incorporation : 8 April 2010

Place of incorporation : Cayman Islands

Registered office : Floor 4, Willow House, Cricket Square, P O Box 2804,
Grand Cayman KY1-1112, Cayman Islands

Company secretary : Nil

Authorised share capital : US\$50,000 divided into 50,000 Shares of par value of
US\$1 each

Issued share capital : US\$35,566 divided into 35,566 Shares of par value of
US\$1 each

Financial year-end date : 31 December

Shareholder:

<u>Name</u>	<u>No. of Shares</u>	<u>Percentage</u>
The Vendor	35,566 Shares	100%
Total number of Shares:	35,566 Shares	100%

Directors:

<u>Name</u>	<u>Date of appointment</u>
Bai Liang	14 May 2012
Liu Guangdian	14 February 2014
Siu Kam Chau	4 October 2013
Yu Wan Hei	11 August 2014

Subsidiaries:

Wink Sky Company Limited 燦天有限公司

Jun Yang Solar Power Investment Limited 君陽光電投資有限公司

北京君陽投資有限公司

濟寧君陽電力有限公司 **Jining Junyang Electric Power Co., Ltd.**

龍口吉君電力有限公司 **Longkou Jijun Power Co., Ltd.**

榮成吉君電力有限公司 **Rongcheng Jijun Power Co., Ltd.**

青海鈞石能源有限公司

河南君陽電力有限公司

許昌君陽電力有限公司

SCHEDULE 1

Part B - Details of the Subsidiaries

1. Wink Sky Company Limited 燦天有限公司

Name of Company : Wink Sky Company Limited 燦天有限公司

Company number : 1554459

Date of incorporation : 2 November 2009

Place of incorporation : BVI

Registered office : Portcullis TrustNet Chambers, 4th Floor, Ellen Skelton Building, 3076 Sir Francis Drake Highway, Road Town, Tortola, VG1110, the BVI

Company secretary : Nil

Authorised share capital : 50,000 shares of US\$1.00 each

Issued share capital : 1 share of US\$1.00

Financial year-end date : 31 December

Shareholder:

<u>Name</u>	<u>No. of share</u>	<u>Percentage</u>
The Company	one share	100%
Total number of shares:	one share	100%

Director:

<u>Name</u>	<u>Date of appointment</u>
Siu Kam Chau	1 November 2011
Liu Guangdian	14 February 2014
Yu Wan Hei	11 August 2014

Subsidiaries:

Jun Yang Solar Power Investment Limited 君陽光電投資有限公司
北京君陽投資有限公司
濟寧君陽電力有限公司 Jining Junyang Electric Power Co., Ltd.
龍口吉君電力有限公司 Longkou Jijun Power Co., Ltd.
榮成吉君電力有限公司 Rongcheng Jijun Power Co., Ltd.
青海鈞石能源有限公司
河南君陽電力有限公司
許昌君陽電力有限公司

2. Jun Yang Solar Power Investment Limited 君陽光電投資有限公司

Name of Company : Jun Yang Solar Power Investment Limited
君陽光電投資有限公司

Company number : 1406455

Date of incorporation : 29 December 2009

Place of incorporation : Hong Kong

Registered office : Unit 1105, 11/F, Wing On Plaza, 62 Mody Road, Tsim
Sha Tsui East, Kowloon, Hong Kong

Company secretary : Siu Kam Chau

Issued share capital : HK\$1.00

Financial year-end date : 31 December

Shareholder:

<u>Name</u>	<u>No. of share</u>	<u>Percentage</u>
Wink Sky Company Limited	1 share	100%
Total number of shares:	1 share	100%

Director:

<u>Name</u>	<u>Date of appointment</u>
Bai Liang	22 January 2010
Siu Kam Chau	1 November 2011
Liu Guangdian	14 February 2014
Yu Wan Hei	11 August 2014

Subsidiaries:

北京君陽投資有限公司
濟寧君陽電力有限公司 Jining Junyang Electric Power Co., Ltd.
龍口吉君電力有限公司 Longkou Jijun Power Co., Ltd.
榮成吉君電力有限公司 Rongcheng Jijun Power Co., Ltd.
青海鈞石能源有限公司
河南君陽電力有限公司
許昌君陽電力有限公司

3. 北京君陽投資有限公司

<u>Name of Company</u>	: 北京君陽投資有限公司
<u>Company number</u>	: 9111010855480123X7
<u>Date of establishment</u>	: 29 June 2010
<u>Place of establishment</u>	: PRC
<u>Registered office</u>	: 北京市海澱區中關村南大街5號1區689號樓10層1001-1008房間
<u>Total investment amount</u>	: N/A
<u>Registered capital and paid up capital</u>	: US\$55,000,000, of which US\$40,000,000 has been paid up
<u>Financial year-end date</u>	: 31 December
<u>Business scope</u>	: (一) 在國家法律允許外商投資的領域依法進行投資；(二) 受所投資企業的書面委託(經董事會一致通過)，向其所投資企業提供下列服務：1、協助或代理其所投資企業從國內外採購該企業自用的機器設備、辦公設備及生產所需的原材料、元器件和零部件和在國內外銷售其所投資企業生產的產品，並提供售後服務；2、在外匯管理部門的同意和監督下，在其所投資企業之間平衡外匯；3、為其所投資企業提供產品生產、銷售和市場開發過程中的技術支援、員工培訓、企業內部人事管理等服務；4、協助其所投資企業尋求貸款及提供擔保；(三) 在中國境內設立科研開發中心或部門；從事新產品及高新技術的研究開發，轉讓其研究開發成果，並提供相應的技術服務；(四) 為其投資者提供諮詢服務，為其關聯公司提供與其投資有關的市場訊息、投資政策等諮詢服務。(五) 可再生能源的相關諮詢、策劃及培訓。(“1、未經有關部門批准，不得以公開方式募集資金；2、不得公開開展證券類產品和金融衍生品交易活動；3、不得發放貸款；4、不得對所投資企業以外的其他企業提供擔保；5、不得向投資者承諾投資本金不受損失或者承諾最低收益”；依法須經批准的項目，經相關部門批准後依批准的內容開展經營活動。)

Registered owner:

<u>Name</u>	<u>Amount of capital</u>	<u>Percentage</u>
Jun Yang Solar Power Investment Limited	US\$55,000,000, of which US\$40,000,000 has been paid up	100%

Directors:

Name

白亮
彭立斌
劉輝
劉爽
郭曉暉

Supervisor:

Name

謝海萍

Subsidiaries:

濟寧君陽電力有限公司 Jining Junyang Electric Power Co., Ltd.
龍口吉君電力有限公司 Longkou Jijun Power Co., Ltd.
榮成吉君電力有限公司 Rongcheng Jijun Power Co., Ltd.
青海鈞石能源有限公司
河南君陽電力有限公司
許昌君陽電力有限公司

4. 濟寧君陽電力有限公司 **Jining Junyang Electric Power Co., Ltd.**

Name of Company : 濟寧君陽電力有限公司
Jining Junyang Electric Power Co., Ltd.

Company number : 91370800329563685N

Date of establishment : 19 March 2015

Place of establishment : PRC

Registered office : 山東省濟寧市高新區海川路9號軟件園D2樓103室

Total investment amount : US\$48,500,000

Registered capital and paid up capital : US\$17,520,000, of which US\$5,520,000 has been paid up

Financial year-end date : 31 December

Business scope : 太陽能電站建設、經營；發電設備及電力產品的生產與銷售；能源電力新技術、新產品、新材料的研發、生產、銷售；能源電力技術服務和管理諮詢；太陽能電站相關技術諮詢與服務；太陽能發電相關產品的研發、生產與銷售。（依法須經批准的項目，經相關部門批准後方可開展經營活動）

Registered owner:

<u>Name</u>	<u>Amount of capital</u>	<u>Percentage</u>
北京君陽投資有限公司	US\$17,520,000, of which US\$5,520,000 has been paid up	100%

Director:

Name

劉輝

Supervisor:

Name

謝海萍

Subsidiaries: Nil

5. 龍口吉君電力有限公司 Longkou Jijun Power Co., Ltd.

Name of Company : 龍口吉君電力有限公司
Longkou Jijun Power Co., Ltd.

Company number : 91370681310591598A

Date of establishment : 6 August 2014

Place of establishment : PRC

Registered office : 中國山東省龍口市黃山館鎮二村

Total investment amount : US\$15,000,000

Registered capital and paid up capital : US\$6,000,000, of which US\$2,200,000 has been paid up

Financial year-end date : 31 December

Business scope : 從事建設、運營分佈式光伏發電站（依法須經批准的項目，經相關部門批准後方可開展經營活動）

Registered owner:

<u>Name</u>	<u>Amount of capital</u>	<u>Percentage</u>
北京君陽投資有限公司	US\$6,000,000, of which US\$2,200,000 has been paid up	100%

Director:

Name

白亮

Supervisor:

Name

郭曉暉

Subsidiaries: Nil

6. 榮成吉君電力有限公司 Rongcheng Jijun Power Co., Ltd.

Name of Company : 榮成吉君電力有限公司
Rongcheng Jijun Power Co., Ltd.

Company number : 371082400005783

Date of establishment : 30 July 2014

Place of establishment : PRC

Registered office : 中國山東省榮成市蔭子鎮兩山南路518號

Total investment amount : US\$15,000,000

Registered capital and paid up capital : US\$6,000,000, of which US\$3,000,000 has been paid up

Financial year-end date : 31 December

Business scope : 從事建設、運營光伏發電站，光伏發電技術諮詢服務
(依法須經批准的項目，經相關部門批准後方可開展經營活動，有效期以許可證為準)

Registered owner:

<u>Name</u>	<u>Amount of capital</u>	<u>Percentage</u>
北京君陽投資有限公司	US\$6,000,000, of which US\$3,000,000 has been paid up	100%

Director:

Name

劉輝

Supervisor:

Name

郭曉暉

Subsidiaries: Nil

7. 青海鈞石能源有限公司

Name of Company : 青海鈞石能源有限公司

Company number : 632900102906674

Date of establishment : 16 December 2008

Place of establishment : PRC

Registered office : 青海省格爾木市昆侖中路52號黃河錦龍城1幢1單元1916室

Total investment amount : RMB38,167,939

Registered capital and paid up capital : RMB38,167,939

Financial year-end date : 31 December

Business scope : 太陽能電池及其應用產品開發、設備製造和生產；太陽能電站建設、運營；電力的生產與銷售；能源電力技術服務和管理諮詢；太陽能電站相關技術諮詢與服務，太陽能發電相關產品的研發、生產與銷售（以上經營範圍國家有專項規定的憑許可證經營）。

Registered owners:

<u>Name</u>	<u>Amount of capital</u>	<u>Percentage</u>
北京君陽投資有限公司	RMB\$38,157,939	99.9738%
王志維	RMB10,000	0.0262%

Directors:

Name

劉輝
馬學文
郭曉暉

Supervisor:

Name

謝海萍

Subsidiaries: Nil

8. 河南君陽電力有限公司

Name of Company : 河南君陽電力有限公司

Company number : 410100400006156

Date of establishment : 6 November 2010

Place of establishment : PRC

Registered office : 鄭州高新區科學大道57號動漫基地4幢6069-6070室

Total investment amount : US\$3,400,000

Registered capital and paid up capital : US\$3,400,000

Financial year-end date : 31 December

Business scope : 太陽能電站建設、運營；發電設備及電力產品的生產與銷售；能源電力新技術、新產品、新材料的研發、生產、銷售；能源電力技術服務和管理諮詢；太陽能電站相關技術諮詢與服務；太陽能發電相關產品的研發、生產與銷售。（法律法規禁止經營的，不得經營；應經審批的，未獲批准前不得經營）。

Registered owner:

<u>Name</u>	<u>Amount of capital</u>	<u>Percentage</u>
北京君陽投資有限公司	US\$3,400,000	100%

Director:

Name

薛峰

Supervisor:

Name

劉爽

Subsidiaries: Nil

9. 許昌君陽電力有限公司

Name of Company : 許昌君陽電力有限公司

Company number : 411000000010226

Date of establishment : 1 November 2011

Place of establishment : PRC

Registered office : 許昌市魏武大道中原電氣谷創業服務中心

Total investment amount : N/A

Registered capital and paid up capital : RMB20,000,000

Financial year-end date : 31 December

Business scope : 太陽能電站建設、運營（國家法律法規規定，需經審批方可經營的項目，未獲審批前不得經營）；太陽能電站技術、電力技術諮詢服務；可再生能源發電技術、電力新技術、新產品、新材料的研發；光伏電站及配套產品的銷售；分布式發電生產。

Registered owner:

<u>Name</u>	<u>Amount of capital</u>	<u>Percentage</u>
北京君陽投資有限公司	RMB19,000,000	95%
河南君陽電力有限公司	RMB1,000,000	5%

Directors:

Name

薛峰
王志維
劉爽

Supervisor:

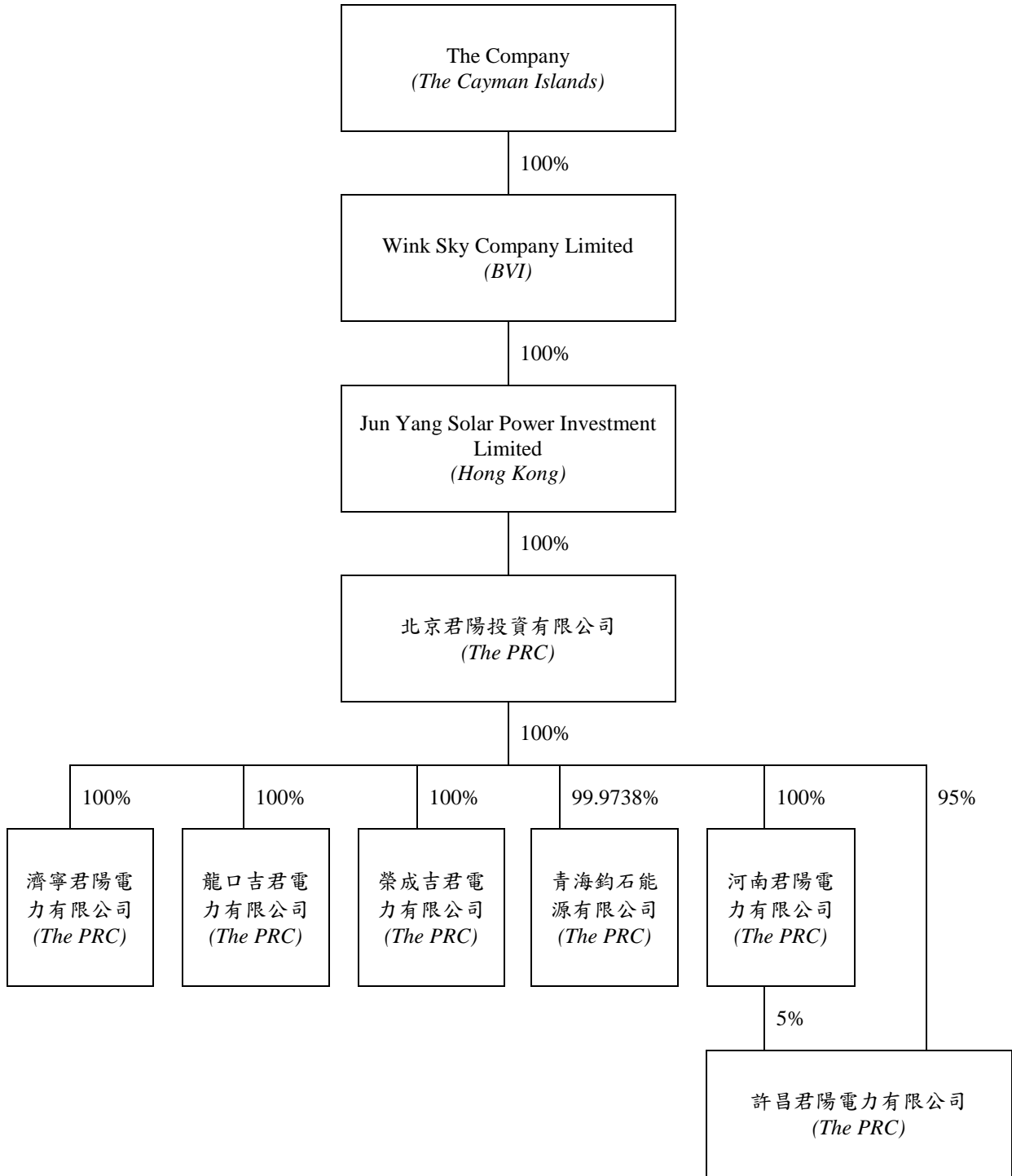
Name

謝海萍

Subsidiaries: Nil

SCHEDULE 1

Part C – Group Structure as at the date of this Agreement and upon Completion



SCHEDULE 2

Vendor's Warranties

1. General

- 1.1 All necessary authorisation, consent, approval, licence, qualification or formal exemption from, and filing, declaration or registration with, any court, governmental agency, regulatory authority or political subdivision thereof, any securities exchange or any other person has been obtained in connection with the execution, delivery or performance by the Vendor of this Agreement or the business of the Group in order to consummate the transactions contemplated in this Agreement. All such authorisations, consents, approvals, licences, qualifications, exemptions, filings, declarations and registrations have been obtained or made, as the case may be, and are in full force and effect and are not the subject of any pending or, to the knowledge of the Vendor, threatened attack by appeal or direct proceeding or otherwise.
- 1.2 Neither the execution and delivery of this Agreement nor the performance or consummation of the transactions contemplated hereby by the parties hereto will (a) result in a violation of the constitutional documents of any Group Company, (b) conflict with or result in a breach or violation in any material respect of any law applicable to any Group Company, (c) conflict with or result in a breach or violation in any material respect of, or constitute a material default under, any material contract to which any Group Company is a party or by which any Group Company is bound, or (d) require any approval from any court, governmental or regulatory authority. No Group Company is in violation or breach of any of its constitutional documents.
- 1.3 All information contained in this Agreement and all other information which has been given in writing or electronic form or made available by or on behalf of the Vendor to the Purchaser or any of its agents, employees or professional advisers in the course of the negotiations leading to this Agreement or in the course of any due diligence or other investigation carried out by or on behalf of the Purchaser prior to entering into this Agreement was when given and remains true, complete and accurate in all material respects and not misleading and the Vendor is not aware of any fact or matter or circumstances not disclosed in writing to the Purchaser which renders any such information untrue, inaccurate or misleading or the disclosure of which might reasonably affect the willingness of the Purchaser to acquire the Sale Shares or enter into the Transaction Documents or the price at or terms upon which the Purchaser would be willing to acquire the Sale Shares or enter into the Transaction Documents.

2. Capacity of the Vendor

- 2.1 The Vendor has full and requisite power, authority and capacity and all other applicable governmental, statutory, regulatory or other consents, licences, authorisations, waivers or exemptions required to empower it to enter into and perform its obligations under this Agreement and any agreement entered into pursuant to the terms of this Agreement, and the provisions of this Agreement will, when executed, constitute legal, valid and binding obligations on the Vendor and enforceable against it in accordance with their respective terms.

- 2.2 The Vendor is a company duly incorporated and validly existing under the laws of its jurisdiction of incorporation.
- 2.3 The execution and delivery of, and the performance by the Vendor of its obligations under this Agreement will not (1) result in a breach of (i) any provision of its memorandum or articles of association or equivalent constitutional documents; or (ii) any law, regulation, order, judgment or decree applicable to it; and (2) require any consent or approval of any governmental authority.
- 2.4 No order has been made, petition presented, resolution passed or meeting convened for the winding-up of the Vendor. There are no cases or proceedings under any applicable insolvency or similar laws in any relevant jurisdiction and no events have occurred which, under applicable laws, would justify any such cases or proceedings.
- 2.5 The Vendor is a third party independent of GET and any of its subsidiaries (including but not limited to the Purchaser) and the connected persons of GET.

3. Organisation and authorisation

- 3.1 Each Group Company is duly organised, validly existing and in good standing (or equivalent status in the relevant jurisdiction) under, and by virtue of, the laws of the place of its incorporation or establishment and has all requisite power and authority to own its properties and assets and to carry on its business as now conducted and as proposed to be conducted, and to enter into, execute and deliver this Agreement.

4. Group Companies and capitalisation

- 4.1 Parts A and B of Schedule 1 to this Agreement sets forth, among others, the following information for each Group Company as of the date hereof and as of the Completion: (i) the authorised (where applicable) and issued share capital of each Group Company, the registered owners of such share capital, (ii) the jurisdiction in which each Group Company was incorporated; and (iii) the existing directors of each Group Company. The content of Schedule 1 is true and accurate in all respects. No Group Company has any other subsidiary, partnership, joint venture or any investment or has agreed to make any investment in or become a partner or joint venturer with any other person other than as set out in Parts A and B of Schedule 1 to this Agreement. Part C of Schedule 1 to this Agreement sets forth, among others, the structure of the Group as at the date of this Agreement and upon Completion. No order has been made or petition presented or resolution passed for the winding up of any Group Company, nor has any distress, execution or other process been levied against any Group Company. No events or omissions have occurred whereby the constitution, subsistence or corporate status of any of the Group Companies have been or are likely to be materially and adversely affected. All the information contained in Schedule 1 is true and correct in all respects.
- 4.2 All outstanding share capital of each Group Company (i) have been duly and validly issued (or subscribed for), is fully paid, (ii) are free of limitation in voting rights, pre-emptive rights, any other restrictions on transfer and other liens (except for any restrictions on transfer under applicable laws), and (iii) have been issued in compliance with all applicable laws, contracts, and pre-emptive rights.

- 4.3 There are no (i) resolutions pending to increase the authorised (where applicable) or issued share capital of any Group Company; (ii) equity incentive plans with respect to any Group Company; (iii) dividends which have accrued or been declared but are unpaid by any Group Company; or (iv) obligations, contingent or otherwise, of any Group Company to repurchase, redeem, or otherwise acquire any equity securities or any voting trusts, shareholder agreements, registration rights, proxies or other agreements or understandings in effect with respect to the voting, issuance, redemption, acquisition or transfer of any equity securities of any Group Company.
- 4.4 None of the Group Company is under any contract, options, warrants or any other obligations regarding any part of its capital, issued or unissued, or for the issue of any shares, debentures, warrants, options, or other similar securities or has agreed to acquire any share or interest or loan capital in any company at any time before or after Completion.
- 4.5 Except for 青海鈞石能源有限公司 whose 99.9738% interests are held by the Group, the Company beneficially, directly or indirectly, owns 100% of the issued share capital of all of its other Subsidiaries. The interest of the Group in each Subsidiary is free from all Encumbrances.
- 4.6 No person has the right (whether exercisable now or in the future and whether contingent or not) to call for the allotment, conversion, issue, registration, sale, transfer, amortisation or repayment of any share or loan capital or any other security giving rise to a right over the capital of any Group Company under any option or other agreement (including conversion rights and rights of pre-emption).
- 4.7 There are no Encumbrances in any shares or registered capital of any Group Company or any arrangements or obligations to create any such Encumbrances.
- 4.8 No shares or interest in the Group Companies have been and are listed on any stock exchange or regulated market.
- 4.9 The Group Companies have not given a power of attorney or any other authority (express, implied or ostensible) which is still outstanding or effective to any person to enter into any contract or commitment or to do anything on its behalf, other than any authority to its employees to enter into routine trading contracts in the normal course of their duties and authorities to patent attorneys or agents or trade mark agents for routine prosecution or maintenance of such Intellectual Property Rights as is registered.
5. No actions
- 5.1 There is no action pending or, to the knowledge of the Company or the Vendor, threatened against or affecting any Group Company with respect to its businesses or proposed business activities. There is no governmental order in effect and binding on any Group Company or their respective assets or properties.

6. 2015 Accounts

6.1 The 2015 Accounts:

- (a) are complete and accurate in all respects and give a true and fair view of the assets and liabilities of the Group as at the date to which it is made up and its profits or loss and cashflow for the financial period ended on that date;
- (b) comply with the requirements of all applicable laws and regulations;
- (c) are prepared in accordance with the generally accepted accounting principles in Hong Kong and the PRC;
- (d) are not affected by any extraordinary, exceptional, unusual or non-recurring item;
- (e) properly reflect the financial position of the Group as at the date to which it is made up;
- (f) fully disclose all the assets and liabilities of the Group as at the date to which it is made up;
- (g) make full provision or reserve or note in accordance with the generally accepted accounting principles in Hong Kong and the PRC for all liabilities and capital commitments of the Group outstanding as at the date to which it is made up including deferred, contingent, unqualified or disputed liabilities;
- (h) make adequate provision for depreciation of assets, having regard to their original cost and estimated life;
- (i) make provision or reserve, in accordance with the principles set out in the notes included in the 2015 Accounts for all Taxation liable to be assessed on the Group in connection with its business, or for which it may be accountable, in respect of the period ended on the relevant date and such provision is sufficient to cover all Taxation assessed or liable to be assessed in relation to the Group and its business in respect of profits, income-earnings, receipts, transfers, events and transactions up to and including the relevant date; and
- (k) make proper provision for all bad and doubtful debts and proper provision for (in accordance with good accounting practice) all contingent unqualified deferred or disputed liabilities and are not affected by any extraordinary exceptional or non-recurring items.

7. Management Accounts

- 7.1 The Management Accounts (a) have been prepared in accordance with the books and records of each Group Company, (b) give a true and fair view in all respects of the financial condition and position of the Group Company on a consolidated basis as of the dates indicated therein and the results of operations and cash flows of the Group Companies on a consolidated basis for the period indicated therein, except in the case of unaudited financial statements for the omission of notes thereto and normal year-

end audit adjustments that are not expected to be material, (c) were prepared in accordance with the generally accepted accounting principles in Hong Kong and the PRC and the requirements of all relevant statutes and applicable accounting principles and policies applied on a consistent basis throughout the period involved.

- 7.2 The Management Accounts are fair and not misleading and do not materially misstate the assets and liabilities of the Group as of the Management Accounts Date nor the profits and losses of the Group for the period ended on such date.
- 7.3 The Management Accounts make proper provision for all actual liabilities, bad and doubtful debts and proper provision for or a bond or note of (in accordance with good accounting practice) all contingent unqualified deferred or disputed liabilities and all capital commitments and Taxations and are not affected by any extraordinary exceptional or non-recurring items.
- 7.4 All of the accounts receivable owing to any of the Group Companies, including without limitation all accounts receivable set forth in the Management Accounts, constitute valid and enforceable claims and are current and collectible in the ordinary course of business, net of any reserves shown on the Management Accounts (which reserves are adequate and were calculated on a basis consistent with the applicable accounting principles), and no further goods or services are required to be provided in order to complete the sales and to entitle the applicable Group Company to collect in full in respect of any such receivables.
- 7.5 The rate of depreciation adopted in the Management Accounts is sufficient for the value of each of the fixed assets of Group to be written down to nil by the end of its useful working life
- 7.6 The profits shown in the Management Accounts have not to a material extent been affected (except as disclosed in those accounts) by any extraordinary or exceptional event or circumstance or by any other factor rendering them unusually high or low
- 7.7 No Group Company has any liabilities except for (i) liabilities set forth in the balance sheet contained in the Management Accounts that have not been satisfied since the Management Accounts Date, and (ii) current liabilities incurred since the Management Accounts Date in the ordinary course of the Group's business consistent with its past practices.
- 7.8 The profits and losses of the Group as shown by the Management Accounts and the trend of profits shown by the Management Accounts and the 2015 Accounts have not (except as fairly disclosed in such accounts) been affected by changes or inconsistencies in accounting treatment, by any non-recurring items of income or expenditure, by transactions of an abnormal or unusual nature or entered into otherwise than on normal commercial terms or by any other factors rendering such profits for all or any of such periods exceptionally high or low.
- 7.9 None of the Group Companies has any indebtedness for borrowed money that it has directly or indirectly created, incurred, assumed, or guaranteed, or with respect to which the Group Company has otherwise become directly or indirectly liable other than in the ordinary course of business.

- 7.10 None of the Group Companies is a guarantor or indemnitor of any liabilities of any other person outside the Group.
- 7.11 No person has given any guarantee of or security for any overdraft, loan or loan facility granted to any Group Company.
- 7.12 Except for a loan due from the Group to the Vendor in an amount of HK\$77,258,000 as shown in the 2015 Accounts which is unsecured, non-interest bearing and repayment on demand (“**Shareholder’s Loan**”), there is no outstanding indebtedness or other liability (actual or contingent) owing by any Group Company to the Vendor and its Associates or any person connected with them, nor is there any indebtedness owing to a Group Company by any such person.
- 7.13 Each Group Company has sufficient working capital to carry on its businesses in its present form and at present levels of turnover for the foreseeable future (and at least for a period of 12 months after Completion) and for the purposes of carrying out and fulfilling in accordance with their terms all orders, projects and other contractual obligations which have been placed with or undertaken by the Group. The operations of the Group generate positive cashflow and profit after tax from the ordinary activities the Group.

8. Financial obligations of the Group

- 8.1 The Group has no financial facilities (including loans, derivatives and hedging arrangements).
- 8.2 There is no outstanding any guarantee, indemnity, suretyship or security (whether or not legally binding) given by or for the benefit of the Group.
- 8.3 The Group does not have any outstanding loan capital, nor has it factored, discounted or authorised any of its debts, nor has it engaged in any financing of a type which would not be required to be shown or reflected in the Management Accounts or the 2015 Accounts or borrowed any money which it has not repaid.
- 8.4 The Group does not have any government authority investment grants, loan subsidies or financial aid received by or pledged to the Group since the date of their respective incorporations.
- 8.5 There are no liabilities, whether actual or contingent, of the Group other than (i) liabilities disclosed or provided for in the Management Accounts, (ii) liabilities incurred in the ordinary and usual course of business since the date to which the Management Accounts are made up, none of which is material, or (ii) liabilities disclosed elsewhere in the Transaction Documents.

9. Recent events

- 9.1 Since the 2015 Accounts Date:

- (a) each of the Group Companies has operated its business in the ordinary course consistent with its past practice and without having entered into any material transaction, assumed any material liability or made any material payment which is not in the ordinary course of its business or suffered any material adverse interruption or alteration in the nature, scope or manner of its business;
- (b) each of the Group Companies used its reasonable best efforts to preserve its business;
- (c) no Group Company has engaged in any new line of business or entered into any agreement, transaction or activity or made any commitment except those in the ordinary course of business consistent with past practice;
- (d) there has not been any material adverse effect or any material change in the way the Group conducts its business;
- (e) there has been no material adverse change in the financial position or turnover of the Group taken as a whole;
- (f) there has been no declaration, set aside or payment or other dividend or distribution in respect of any equity securities of any Group Company, or any issuance, transfer, redemption, purchase or acquisition of any equity securities by any Group Company;
- (g) there has been no waiver, termination, cancellation, settlement or compromise of a material valuable right or of a material debt or claim by or of any Group Company;
- (h) there has been no incurrence, creation, assumption, repayment, satisfaction, or discharge of any material lien, indebtedness or guarantee, or the making of any loan or advance (other than in the ordinary course of business consistent with its past practice), or the making of any investment or capital contribution in the ordinary course of business;
- (i) there has been no change in any remuneration, benefit or compensation arrangement with any employee of any Group Company (other than in the ordinary course of business consistent with past practice), or adoption of any new employee benefit plan, or made any material change in any employee benefit plan;
- (j) there has not been any commencement or settlement of any material action;
- (k) there has not been any resignation or termination of any key employee of any Group Company;
- (l) there has not been any purchase, acquisition, sale, lease, Disposal of or other transfer of any property, assets (including Knowhow) that are individually or in the aggregate material to its business, whether tangible or intangible, other than the purchase or sale of inventory in the ordinary course of business consistent with its past practice, and no acquisition (by merger, consolidation

or other combination, or acquisition of stock or assets, or otherwise) of any business or other person or division thereof;

- (m) there has been no Disposal of any asset (including stock) or supply of any service or business facility of any kind (including a loan of money or the letting, hiring or licensing of any property whether tangible or intangible) in circumstances where the consideration actually received or receivable for such Disposal or supply was less than the consideration which could be deemed to have been received for tax purposes;
- (n) no resolution of any member of the Group in general meeting has been passed other than resolutions relating to the business of an annual general meeting which was not special business;
- (o) no event has occurred which gives rise to a tax liability to any members of the Group or deemed (as opposed to actual) income, profits or gains or which results in the relevant company becoming liable to pay or bear a tax liability directly or primarily chargeable against or attributable to another person, firm or company;
- (p) each Group Company has paid its creditors within the time agreed with such creditors and there are no debts outstanding by any Group Company which have been due for more than 6 months;
- (q) none of the Group Companies has entered into, or agreed to enter into, any capital commitments which is more than HK\$500,000;
- (r) no share or loan capital has been issued or agreed to be issued by any member of the Group;
- (s) no distribution of capital or income has been declared, made or paid in respect of any share capital of any of the Group Companies and no loan or loan capital of any member of the Group has been repaid in whole or part or has become liable to be repaid;
- (t) no unusual trade discounts or other special terms have been incorporated into any contract entered by any of the Group Companies inconsistent with the previous practice of the relevant Group Company;
- (u) no event has occurred which would entitle any third party (with or without the giving of notice) to call for the repayment of indebtedness prior to its normal maturity date;
- (v) its business has been carried on as a going concern in the ordinary and usual course of business, without any interruption or alteration in its nature, scope or manner; and
- (w) the business has not been materially and adversely affected by the loss of any important customer or source of supply and there are no facts or circumstances which are likely to give rise to any such effects.

- 9.2 No one is entitled to receive from any Group Company any finder's fee, brokerage, or other commission in connection with the sale and purchase of the Sale Shares.
- 9.3 The acquisition of Sale Shares by the Purchaser and compliance with the terms of this Agreement will not:
- (a) cause any Group Company to lose the benefit of any right or privilege it presently enjoys or cause any person who normally does business with the Group not to continue to do so on the same basis as previously;
 - (b) relieve any person of any obligation to the Group (whether contractual or otherwise) or enable any person to terminate any such obligation or any right or benefit enjoyed by the Group or to exercise any right whether under an agreement with or otherwise in respect of any of them;
 - (c) result in any present or future indebtedness of the Group becoming due or capable of being declared due and payable prior to its stated maturity;
 - (d) give rise to or cause to become exercisable any right of pre-emption; or
 - (e) adversely affect the Group's relationships with its clients, customers, suppliers or employees.

10. Compliance with laws and approvals

- 10.1 Each Group Company is, and has been, in compliance in all material respects with all applicable laws and regulations. All authorisations, consents, approvals and licences from the relevant governmental authority or other person required in respect of the due and proper incorporation or establishment, business and operations of each Group Company as now conducted and all other authorisations, consents, approvals and licences required for the Group to carry on the Business ("**Licences**") have been duly obtained or completed in accordance with all applicable laws and regulations and are in full force and effect and neither the Vendor nor the Company is aware of any circumstances indicating that any of those authorisations, consents, approvals and licences is likely to be revoked or not renewed.
- 10.2 Each of the Group Companies has conducted and is conducting its business (including the Business) in all respects in accordance with all applicable laws and regulations, whether of Hong Kong, the PRC or otherwise.
- 10.3 There is no investigation, enquiry or proceeding outstanding or anticipated which is likely to result in the suspension, cancellation, modification or revocation of any Licences.
- 10.4 None of the Licences has been breached or is likely to be suspended, cancelled, refused, modified or revoked or its renewal refused (whether as a result of the entry into or completion of this Agreement or the entry into or completion of the transactions contemplated by the other Transaction Documents or otherwise).

- 10.5 The Group is conducting, and has conducted, its business, operations and other activities and holds all its assets in compliance with the laws and regulations of the jurisdiction in which it is incorporated or operates, and in compliance with the rules of any applicable regulatory body, including but not limited to those required for the Group to carry on the Business, and there have not been and are not any breaches by the Group of any such laws and regulations.
- 10.6 There has not been and there is no investigation, disciplinary proceeding or enquiry by, or order, decree, decision or judgment of, any court, tribunal, arbitrator, governmental agency or regulatory body outstanding or anticipated against the Group or any person for whose acts or defaults it may be vicariously liable.
- 10.7 The Group has not received any notice or other communication (official or otherwise) from any court, tribunal, arbitrator, governmental agency or regulatory body with respect to an alleged, actual or potential violation and/or failure to comply with any such applicable laws or regulation, or requiring it to take or omit any action.

11. Ethical Business Practices and Absence of Government Official Economic Interest

- 11.1 In connection with the business of the Group (including the Business), none of the Group Companies or its shareholders, directors or officers, and to the knowledge of the Company and the Vendor, none of the employees of the Group Companies has offered, paid, promised to pay, or authorised the payment of any money or anything else of value, whether directly or indirectly, to any government officials:
- (a) with the intent or purpose of (i) influencing any act or decision of such government official in his official capacity; or (ii) inducing such government official to use his influence with a government or instrumentality thereof; or
 - (b) in violation of any applicable anti-bribery or anticorruption law. No government official in Hong Kong, the PRC or elsewhere (i) holds an ownership or other economic interest, direct or indirect, in any of the Group Companies or in the contractual relationship formed by this Agreement; or (ii) serves as an officer, director or employee of any Group Company.
- 11.2 Neither any Group Company nor any of their officers, agents or employees (during the course of their duties in relation to the Group) have committed, or omitted to do, any act or thing the commission or omission of which is, or could be, in contravention of any law, ordinance, regulation, order, enactment, statute, or the like in Hong Kong, the PRC or elsewhere which is punishable by fine or other penalty.

12. Assets and properties

- 12.1 The Group does not own any real property in Hong Kong, the PRC or any part of the world.
- 12.2 The Leased Property is leased to the Group and currently used by the Group for carrying on its business.

- 12.3 The Group has paid all rent, licence fees (if applicable) and all other outgoings which have become due in respect of the Leased Property and has performed and observed all its obligations under the lease relative thereto in all material respects and no notice of any breach of any such matter has been received and no use of the Leased Property that contravenes any provisions contained in such lease relating to the permitted user of the Leased Property.
- 12.4 The Group has not sub-let or licensed the Leased Property and no person other than the Group occupies or has a licence or right to occupy or enter upon any of the Leased Property other than the rights of landlords pursuant to the lease relating to the Leased Property.
- 12.5 No notice in writing to terminate has been given by any party to any agreement for the licensing of the Leased Property.
- 12.6 The Group has not received:
- (a) any notice from any person that the present user of the Leased Property is in contravention of any applicable laws, orders or official directions;
 - (b) any notice from any person that anything done or omitted on the Leased Property or any part thereof is in contravention of any applicable laws, regulations, orders or official directions;
 - (c) any notices, complaints or requirements issued by any governmental body, authority or department in respect of the Leased Property or any part thereof;
 - (d) any notice of any proposals made by any governmental body, authority or department concerning the compulsory acquisition or resumption of the Leased Property or any part thereof or which would adversely affect the Leased Property or any part thereof; nor
 - (e) notice of any orders, restrictions or notices affecting the Leased Property which might adversely affect the value of the Leased Property or any part thereof.
- 12.7 The current use of the Leased Property is in compliance with the provisions, covenants, terms and conditions of any conditions and any regulations in force relating to the Leased Property.
- 12.8 So far as the Vendor is aware, there are no outstanding complaints or orders of any district or other authority affecting the Leased Property or the use thereof or any matters which will result in the termination of the lease.
- 12.9 In respect of the Group:
- (a) it has the right to the use, occupation and enjoyment of the properties currently leased, used or otherwise occupied by it, all applicable legislation

and government rules and regulations in the jurisdictions in which the Leased Property are located, whether of a national or a local nature, have been complied with and all applicable government consents and approvals (if relevant) have been obtained;

- (b) it has in all material respects observed and performed all covenants, obligations and restrictions contained in the lease;
- (c) there is no person in possession or occupation of or who has or claims any right or easement of any kind in respect of the Leased Property which may adversely affect its use occupation and enjoyment thereof, in any material respect;
- (d) there are no rights, interests, covenants, conditions, restrictions, exceptions, reservations, licences, easements, agreements, claims or any other matters or things which may adversely affect its use and enjoyment of the Leased Property for the purpose of the business now being carried on at the Leased Property by it;
- (e) there are no disputes or outstanding or expected notice (whether given by a lessor, a licensor, a governmental authority or any other person) affecting the Leased Property, there are no rights for a lessor to vary the terms of or to terminate a tenancy agreement or a lease and there are no circumstances which would entitle or require a lessor, a licensor or any other person to exercise any power of entry upon or to take possession of the Leased Property or which would otherwise restrict or terminate the continued possession and occupation thereof;
- (f) it has duly performed observed and complied with and so far as the Vendor is aware, there is no subsisting breach of any covenants, restrictions, conditions, agreements, statutory requirements, bye-laws, order, building regulations or other obligations adversely affecting the Leased Property or the use thereof including the terms of the lease and (without prejudice to the generality of the foregoing) all outgoings rents and service charges have been paid to date and no notice of any alleged material breach of any of the terms of the lease has been served on or received by it; and
- (g) there is no outstanding material monetary claim or liability contingent or otherwise affecting the Leased Property or under the lease. There are no rent reviews in the course of being determined or exercisable by a lessor at a date prior to the Completion Date.

12.10 The Leased Property is in good and substantial repair and condition and no flooding subsidence or other material defect of any kind adversely affects or has adversely affected the Leased Property.

12.11 All assets included in the Management Accounts or acquired by the Group or which have otherwise arisen since the Management Accounts Date, other than any assets disposed of or realised in the ordinary and usual course of business:

- (a) are assets over which the Group have lawful ownership rights;
- (b) are, where capable of possession, in the possession or under the control of the Group;
- (c) are free from Encumbrances; and
- (d) are not the subject of any factoring arrangement, conditional sale or credit agreement

12.12 The property, rights and assets owned, or leased by the Group comprise all the property, rights and assets necessary or convenient for the carrying on of the business of the Group fully and effectively in and to the extent to which it is presently being conducted.

12.13 No Group Company has within the period of 24 months ended on the date of this Agreement, acquired any asset on terms which were not by way of bargain at arm's length.

13. Taxation

13.1 Full provision or reserve has been made in the Management Accounts and the 2015 Accounts for all taxation liable to be assessed on the Group or for which the Group may become accountable including without limitation in respect of:

- (a) profits, gains, income, grants or subsidies (as computed for Taxation purposes) arising or accruing or deemed to arise or accrue on or before the relevant date to which such accounts are made up; and
- (b) any transaction effected or deemed to be effected on or before the relevant date to which such accounts are made up.

13.2 Each Group Company has set up adequate reserves for the payment of all Taxation not yet due and payable that adequately cover all taxable periods ending prior to the Completion.

13.3 Full provision for deferred taxation has been made in the Management Accounts and the 2015 Accounts in accordance with the generally accepted accounting principles in Hong Kong and the PRC.

13.4 The Group has within the time limits prescribed by relevant law duly registered with the relevant Taxation authority, duly paid all Tax, made all returns, given all notices, supplied all other information required to be supplied to any Taxation authority and all such information was and remains complete and accurate in all material respects and all such returns and notices were and remain complete and accurate in all material respects and were made on a proper basis and the Group is not the subject of a back duty, additional Tax or other Tax investigation and there are no facts which are likely to cause such an investigation to be initiated and no notices of any dispute regarding Tax recoverable from the Group or regarding the availability of any relief from Tax to the Group have been served or made. The

Group is not, and has not at any time since the date of its incorporation been, liable to pay any penalty or interest on any unpaid Tax.

- 13.5 The Group has made all deductions and withholdings in respect or on account of Tax which it is required or entitled by any relevant legislation to make from any payments made by it. The Group has accounted in full to the relevant Taxation and fiscal authorities for any Tax so deducted or withheld.
- 13.6 Each Group Company has duly complied and will until Completion continue duly to comply with its obligations to account to the Commissioner of Inland Revenue of Hong Kong and all other applicable Taxation or regulatory authorities in the PRC or elsewhere for all amounts for which it is or may become accountable in respect of Taxation. All returns, computations, notices and information which are or have been required to be made or given by the Group for any Taxation purpose (i) have been made or given within the requisite periods and on a proper basis and are up-to-date, true, correct and complete in all respects, and (ii) none of them is, or is likely to be, the subject of any dispute with any Taxation authorities.
- 13.7 The Group is in possession of sufficient information to enable it to compute its liability to Taxation insofar as it depends on any transaction occurring on or before Completion.
- 13.8 There is no liability to Taxation in respect of which a claim could be made against the Purchaser in connection with the Group and there are no circumstances likely to give rise to such a liability.
- 13.9 No relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, hold-over, repayment or allowance or otherwise) from, against or in respect of any Taxation has been claimed and/or given to the Group which could or might be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of any act, omission, event or circumstance arising or occurring at or at any time after Completion.
- 13.10 The Group has not taken any action which has had, or will have, the result of altering, prejudicing or in any way disturbing any arrangement or agreement which it has previously had with any Taxation authorities.
- 13.11 Each of the Group Companies has been and continues to be resident for tax purposes in the jurisdiction in which it is incorporated and nowhere else at all times since its incorporation.
- 13.12 No asset owned by the Group has at any time since its acquisition by that the Group or any company which has at any time been a member of the Group (as defined from time to time for any Taxation purpose) of which the Group has at any time been a member been subjected to a reduction in value such that any allowable loss arising on its disposal is likely to be reduced or eliminated or any chargeable gain arising on its disposal is likely to be increased.
- 13.13 Each of the Group Companies is not or has not been the lessor or the lessee under any finance lease of an asset. For the purposes of this paragraph “finance lease” means any arrangements for the leasing of an asset which fall for the purposes of the accounts of

the Group to be treated in accordance with normal accountancy practice as a finance lease or loan.

- 13.14 All documents in the possession or under the control of and used or relied on by each of the Group Companies and which attract stamp duty in the jurisdiction in which it is incorporated or elsewhere have been properly stamped and registered with the relevant regulatory authorities.
- 13.15 Neither the execution nor the performance of this Agreement nor the execution of, nor the performance of the transactions contemplated by, any other Transaction Document:
- (a) will result in any of the Group Companies being required under the law of the jurisdiction in which it is incorporated to make any withholding in respect of any payment;
 - (b) result in any tax treatment, benefits or exemptions enjoyed by any of the Group Companies under the law of the jurisdiction in which it is incorporated or pursuant to any current arrangement with any government authority being eliminated or reduced;
 - (c) will result in any losses of the Group or any other allowance, deduction or credit available for relief for Taxation purposes against the profits, gains or income (or deemed profits, gains or income) of the Group ceasing to be so available or being reduced; or
 - (d) will render the Group liable to any, or any additional, Taxation.
- 13.16 All remuneration, compensation payments, payments on retirement or removal from an office or employment and other sums paid or payable to employees or officers or former employees or officers of the Group and all interest, annuities, royalties, rent and other annual payments paid or payable by the Group (whether before or after the date hereof) pursuant to any obligation in existence at the date hereof are and will (on the basis of the Taxation laws and regulations in force at the date hereof) be deductible for profits tax purposes either in computing the profits of the Group or as a charge on the income of the Group.
- 13.17 The Group Companies are not parties to any agreement under which any of them is liable to indemnify any person with respect to Taxes or otherwise share liability to Taxes with any person.
- 13.18 The Group has not at any time been in breach of applicable laws, entered into, engaged in or been a party to or otherwise been involved in any transaction, scheme or arrangement for the avoidance of, or reduction in liability to, Taxes.
14. Borrowings, Grants and Loans to Directors
- 14.1 No member of the Group has subsisting over the whole or any part of its present or future revenues or assets any Encumbrance or any other agreement or arrangement having a similar effect.
- 14.2 There is not outstanding:

- (a) any loan made by any Group Company to, or debt owing to any Group Company by, the Vendor or any director of a Group Company or any person connected with any of them;
- (b) any agreement or arrangement to which a Group Company is a party and in which the Vendor or any director of a Group Company or any person connected with any of them is interested other than the arrangement for the Shareholder's Loan; and
- (c) any agreement or arrangement between a Group Company and any company of which it is a subsidiary or another subsidiary of any such company (including, but not limited to, any such agreement or arrangement under which a Group Company is, or may in the future become, liable to pay any service, management or similar charge or to make any payment of interest or in the nature of interest).

14.3 None of the Group Companies has done or agreed to do anything as a result of which:

- (a) any investment grant or other grant or any subsidy received by any member of the Group is or may be liable to be refunded wholly or partly; or
- (b) any application made by a Group Company for such grant or subsidy shall or may be refused wholly or partly,

and neither the execution nor the performance of this Agreement shall have any such result.

14.4 No Group Company holds any security (including any guarantee or indemnity) which is not valid or enforceable against the grantor thereof in accordance with its terms.

14.5 In relation to all financing arrangements to which any Group Company is a party:

- (a) there has been no contravention of or non-compliance with any provision of any such document;
- (b) no steps for the enforcement of any Encumbrances have been taken or threatened;
- (c) there has not been any alteration in the terms and conditions of any of the said arrangements or facilities, all of which are in full force and effect and there has not been any circumstances whereby the terms and condition of any facilities might be prejudiced or which might give rise to any alteration in the terms or conditions of any of the facilities;
- (d) nothing has been done or omitted to be done whereby the continuance of the said arrangements and facilities in full force and effect might be affected or prejudiced, in particular, as a result of the sale and purchase of the Sale Shares or any other matters contemplated in this Agreement; and

- (e) none of the arrangements is dependent on the guarantee of or on any security provided by a third party.
- 14.6 All dividends (if any) or distributions (if any) declared, made or paid by each Group Company have been declared, made or paid in accordance with its articles of association or corresponding constitutional documents and the applicable laws and regulations.
15. Disputes and litigation
- 15.1 No Group Company is engaged in (nor is any director in relation to the affairs of any Group Company engaged in) any legal proceedings (including litigation, arbitration and prosecution) which, if adversely determined against the relevant Group Company, would materially and adversely affect the financial position or prospects of the Group as a whole and no such proceedings are pending or threatened, nor are there any facts likely to give rise to such proceedings known or which would on reasonable enquiry be known to the Company and the Vendor.
- 15.2 Neither of the Group Companies nor any of its officers or employees has by any act or default committed:
- (a) any criminal or unlawful act in connection with the business of the Group Companies;
 - (b) any breach of trust in relation to the business or affairs of the Group Companies; and
 - (c) any breach of contract or statutory duty or any tortious act which could entitle any third party to terminate any contract to which a Group Company is a party or could lead to a claim against a Group Company for damages, compensation or an injunction.
- 15.3 No governmental or official investigation or inquiry concerning any Group Company is in progress or threatened and there are no circumstances which are likely to give rise to any such investigation or inquiry.
- 15.4 There are no current disputes of a material nature between the Group and any of its customers, suppliers, employees or officers in relation to goods or services purchased or supplied, plant or machinery, duties or work or any loss, damage or injury resulting therefrom.
16. Company records
- 16.1 Each Group Company has kept and made up all requisite books of account (reflecting in accordance with good accounting principles all the financial transactions of the relevant Group Company), minute books, registers, records and these and all other deeds and documents (properly stamped where necessary) belonging to or which ought to be in the possession of a Group Company and its seal are in the possession of the relevant Group Company.

- 16.2 All statutory books, registers, accounts, books, ledgers, and other financial records of each Group Company:
- (a) have been properly maintained, are written up to date and in the possession of the relevant Group Company and contain due and accurate records of all matters required by applicable law to be entered therein;
 - (b) do not contain or reflect any material inaccuracies or discrepancies; and
 - (c) give and reflect a true and fair view of the matters which ought to appear therein and no notice or allegation that any of the same is incorrect has been received, or if the relevant Group Company has received such notice or allegation, the incorrectness or errors have been rectified.
- 16.3 Without prejudice to the generality of paragraph 16.1, the minute book of directors' meetings and the minute book of shareholders' meetings respectively of each Group Company contain full and accurate records of all resolutions passed by the directors and the shareholders of the Group Company concerned and no resolutions have been passed by either the directors or shareholders of the Group Company concerned which are not recorded in the relevant minute books.
- 16.4 All documents requiring to be filed with the Registrars of Companies in Hong Kong and similar authority in the PRC, the BVI and the Cayman Islands by the relevant Group Company have been properly made up and filed.
- 16.5 The register of members (if applicable) of each Group Company is correct, there has been no notice of any proceedings to rectify such register, and there are no circumstances which might lead to any application for its rectification.
- 16.6 True copies or certified true copies of the memorandum and articles of association or equivalent constitutional documents of each Group Company have been provided to the Purchaser prior to signing of this Agreement. The copies of the memorandum and articles of association or equivalent constitutional documents of each Group Company so provided are true and complete and have embodied in them or annexed to them a copy of every such resolution as is required by applicable laws and regulations. Each Group Company has complied with all the provisions of its memorandum and articles of association or equivalent constitutional documents and, in particular, has not entered into any ultra vires transaction
- 16.7 All accounts, documents and returns required by law to be delivered or made by the Group Companies to any governmental authority have been duly and correctly delivered or made on a timely basis.

17. Intellectual Property Rights

- 17.1 All Intellectual Property Rights which are or are likely to be material to the business of the Group are owned by or licensed to or, as the case may be, will be validly assigned to the Group. Where Intellectual Property Rights are licensed to the Group, the licences are not subject to termination or revocation by the

licensors as a result of the performance of this Agreement or any provision herein, including but not limited to a change of the shareholding of the Group.

17.2 The Intellectual Property Rights are:

- (a) legally and beneficially vested in the Group free from Encumbrances;
- (b) not being infringed or attacked or opposed by any person;
- (c) not subject to any licence or authority in favour of another.

17.3 The business of the Group as now carried on does not, and is not likely to infringe any Intellectual Property Rights of any other person and no claims have been made and no applications are pending of which if pursued or granted may materially and adversely affect the Group or its business. Save as disclosed herein, the carrying on of the business and operation of the Group as presently constituted (including the Business) does not require any licences or consents from, or the making of royalty or similar payments to, any third party.

17.4 The Group has not granted and is not obliged to grant any licences or assignments under or in respect of any Intellectual Property Rights or to disclose or provide Knowhow, trade secrets, technical assistance, confidential information or lists of customers or suppliers to any person; and no such disclosure has been made.

17.5 All fees for the grant or renewal of the Intellectual Property Rights of or used in the Group's business and which rights are material to the Group have been paid on demand or will be paid in due course and no circumstances exist which might lead to the cancellation, forfeiture or modification of any such Intellectual Property Rights or to the termination of or any claim for damages under any licence of Intellectual Property Rights to the Group.

17.6 There has been and is no misuse of Knowhow by the Group and the Group has not made any disclosure of Knowhow to any person other than the Purchaser, except properly and in the ordinary and usual course of business and on the basis that such disclosure is to be treated as being of a confidential character.

17.7 To the knowledge of the Vendor and the Company, none of the employees, consultants or independent contractors, currently or previously employed or otherwise engaged by any Group Company (including but not limited to the employees of the Company), (i) is in violation of any current or prior confidentiality, non-competition or non-solicitation obligations to such Group Company or to any other persons, including former employers; or (ii) is obligated under any contract, or subject to any governmental order, that would interfere with the use of his or her best efforts to promote the interests of the Group Companies or that would conflict with the business of such Group Company as presently conducted.

17.8 Neither entering into, nor compliance with, nor completion of this Agreement will, or is likely to result in a breach of, or give any third party a right to terminate or vary any licence to use any Intellectual Property Rights.

18. Material Contracts

18.1 All documents to which any Group Company is a party and other documents owned by or which ought to be in the possession of the relevant Group Company have been properly stamped (if required) and are in the relevant Group Company's possession.

18.2 No Group Company is a party to any Material Contracts. In this paragraph 18, "**Material Contracts**" means collectively, each contract to which a Group Company or any of its properties or assets is bound or subject to that

- (a) involves obligations (contingent or otherwise) or payments in excess of HK\$1,000,000 individually or HK\$1,500,000 in aggregate;
- (b) involves or is likely to involve obligations, restrictions, expenditure or receipts of an unusual, onerous or exceptional nature;
- (c) involves Intellectual Property Rights that is material to a Group Company;
- (d) in any way restricts the ability or freedom of a Group Company to compete or to conduct or engage in any business or activity or in any territory or any part of the world in such manner as it thinks fit;
- (e) relates to the sale, issuance, grant, exercise, award, purchase, repurchase or redemption of any equity securities of the Group Companies;
- (f) involves any provisions providing exclusivity, "change in control", rights of first refusal or first negotiation or similar rights, or grants a power of attorney, agency or similar authority;
- (g) is with a Related Party;
- (h) involves indebtedness, an extension of credit, a guaranty, surety or assumption of any obligation or any secondary or contingent liabilities, deed of trust, or the grant of a lien;
- (i) involves the lease, license, sale, use, disposition or acquisition of a material amount of assets or of a business;
- (j) involves the waiver, compromise, or settlement of any material dispute, claim, litigation or arbitration;
- (k) involves the ownership or lease of, title to, use of, or any leasehold or other interest in, any real or personal property (except for personal property leases involving payments of less than HK\$100,000 per annum), including without limitation, the leases
- (l) involves the establishment, contribution to, or operation of a partnership, joint venture, alliance or similar entity, or involving a sharing of profits or losses (including joint development and joint marketing contracts), or any investment

in, loan to or acquisition or sale of the securities, equity interests or assets of any person;

- (m) is with a governmental authority, state-owned enterprise (other than utilities);
 - (n) is a collective bargaining agreement or is with any labour union or other representatives of the employees;
 - (o) is a brokerage or finder's agreement, or material sales agency, marketing or distributorship contract;
 - (p) is known or is likely to result in a loss to the Group on completion of performance;
 - (q) cannot readily be fulfilled or performed by the applicable Group Company on time without undue or unusual expenditure of money and effort;
 - (r) was entered into otherwise than in the ordinary course of business and is incapable of complete performance in accordance with its terms within 6 months after the date on which it was entered into or undertaken;
 - (s) otherwise material to a Group Company or is one on which a Group Company is substantially dependent;
 - (t) involves or is likely to involve the supply of goods or services by or to the Group the aggregate sales value of which will represent in excess of 20% of the turnover of the Group for the year ended on the 2015 Accounts Date;
 - (u) is loss-making in nature (that is, known to be likely to result in loss on completion or performance); or
 - (v) is in any way otherwise than in the ordinary and proper course of the Group's business.
- 18.3 There are in force no powers of attorney given by any Group Company. No person, as agent or otherwise, is entitled or authorised to bind or commit any Group Company to any obligation not in the ordinary course of the Group's business.
- 18.4 No Group Company is a party to any agreement under which it is in default, being a default which is material in relation to the financial or trading position of the Group nor are there any circumstances likely to give rise to such a default.
- 18.5 There is no outstanding agreement or arrangement imposing restrictions on the transfer, sale or assignment of shares of any of the member of the Group and on the management of the Group to which the Vendor or any person connected with any of them is a party.
- 18.6 Except for the Shareholder's Loan, there is no indebtedness (actual or contingent) nor any indemnity, guarantee or security arrangement between the Group, any shareholder of the Group and any current or former employee, current or former

director or any current or former consultant of the Group or any person connected with any of such persons or in which any such person is interested (directly or indirectly).

- 18.7 Except for the Shareholder's Loan, there are no contracts, arrangements or understandings (whether legally binding or not) between or involving, on the one hand, the Group and, on the other hand, any shareholder of the Group, any director or consultant of the Group and/or any person connected with any of them.
- 18.8 The Group is not or has not been party to any contract, arrangement or understanding with any current or former employee, current or former director or any current or former consultant of the Group or any person connected with any of such persons or any person connected with any of such persons, or in which any such person is interested (whether directly or indirectly).
- 18.9 All the contracts and all leases, tenancies, licences, concessions and agreements of whatever nature to which the Group is a party are valid, binding and enforceable obligations of the parties thereto and the terms thereof have been complied with by the Group and by each other party to such contracts.
- 18.10 There are no grounds for rescission, avoidance or repudiation of any of such contracts or matters referred to in paragraph 18.9 and no notice of termination or of intention to terminate has been received in respect of any of them.
- 18.11 Neither the entry into, nor compliance with, nor completion of this Agreement nor the entry into, compliance with, or completion of the transactions contemplated by any of the other Transaction Documents will, or is likely to:
- (a) cause the Group to lose the benefit of any right or privilege it presently enjoys;
 - (b) cause any person who normally does business with or gives credit to the Group not to continue to do so on the same basis;
 - (c) cause any officer or senior employee of the Group to leave his employment or any consultant of the Group to terminate his consultancy agreement, prejudicially affect the attitude or action of government authorities, customers, suppliers, employees and other persons with regard to the Group; or
 - (d) result in a material breach of, or give any third party a right to terminate or vary, or result in any Encumbrance under, any contract or arrangement to which the Group is a party.

19. Employment matters

- 19.1 No circumstances have arisen under which any of the Group Companies, the Purchaser and the Purchaser's nominee will be required to pay any damages for wrongful dismissal, to make any statutory severance, redundancy or long service payment or to make or pay any compensation for unreasonable dismissal or to make any other payment under any employment protection legislation or regulation or to reinstate or re-engage any former employee or for the purpose of engaging any employee of the Group or arising from the termination of the existing employment

agreement by any of the Group Companies. No circumstances have arisen under which any Group Company will be required to pay damages or compensation, or suffer any penalty or be required to take corrective action or be subject to any form of discipline under any laws conferring protection against discrimination, harassment, victimisation or vilification by reason of age, gender, family circumstances, race, religion or disability.

- 19.2 There are no existing service or other agreements or contracts between any Group Company and any of its directors or executives or employees which cannot be lawfully terminated by notice of 1 calendar month or less without giving rise to any claim for damages or compensation other than a statutory redundancy or severance or long service payment, and each Group Company has complied with all its obligations under all applicable laws in connection with its employees and contracts with its employees.
- 19.3 Each Group Company has at all relevant times complied with all its obligations under applicable laws or regulations or otherwise related to labour or employment, including provisions thereof relating to wages, hours, working conditions, benefits, retirement, social welfare, social insurance, equal opportunity and collective bargaining, and there are no claims capable of arising or threatened or pending by any employee or third party in respect of any accident or injury which are not fully covered by insurance.
- 19.4 Save as any scheme which a Group Company is or may become obliged to join or subscribe under any applicable law or regulations, there are no scheme or funds in respect of retirement, pension, health insurance, housing, bonus, incentive, share option or other benefits to directors, officers, staff, employees or any other party to which any of the Group Companies is a party or in respect of which there is any obligation or liability, present or future, actual or contingent.
- 19.5 To the knowledge of the Vendor and the Company, no senior management is obligated under, or in violation of any term of, any contract or any governmental order relating to the right of any such individual to be employed by, or to contract with, such Group Company. No Group Company has received any notice alleging that any such violation has occurred. No senior management or any group of employees of any Group Company has given any notice of an intent to terminate their employment with any Group Company, nor does any Group Company have a present intention to terminate the employment of any such individual or any group of employees.
- 19.6 All deductions and payments required to be made by the Group in respect of contribution (including employer's contributions) to any pension fund or to any relevant competent authority required by law have been duly made.

20. Insurance

- 20.1 All the assets and businesses of each of the Group Companies which are capable of being insured have at all material times been and are insured to the full replacement value thereof and for such amount in respect of its business as would in the circumstances be prudent for such a business, from a well-established and reputable

insurer, against fire and other risks normally insured against by companies carrying on similar businesses or owning assets of a similar nature.

20.2 In respect of the insurances referred to in paragraph 20.1:

- (a) all premiums and any related insurance premium taxes have been duly paid to date;
- (b) all the policies are in full force and effect;
- (c) no act, omission, misrepresentation or non-disclosure by or on behalf of the Group has occurred which makes any of these policies void, voidable or unenforceable;
- (d) no circumstances have arisen which would render any of the policies void or unenforceable for illegality or otherwise;
- (e) there has been no breach of the terms, conditions and warranties of any of the policies that would entitle insurers to decline to pay all or any part of any claim made under the policies or to terminate any policy;
- (f) there are no special or unusual limits, terms, exclusions or restrictions in any of the policies; and
- (g) the premiums payable are not in excess of the normal rates and no circumstances exist which are likely to give rise to any increase in premiums.

20.3 All policies of insurance taken out in connection with the business or assets of the Group have been disclosed to the Purchaser prior to execution of this Agreement, are written in the name of one of the Group Companies and are in full force and effect; and the Group has not done or omitted to do or allowed anyone to do or not to do anything which might render any of those policies void or voidable and has complied with all conditions attached to them.

20.4 No claim under any policy of insurance taken out in connection with the business or assets of the Group is outstanding and there are no circumstances likely to give rise to such a claim.

21. Related Party Transactions

21.1 No Related Party has any contract, understanding, or proposed transaction with, or is indebted to, any Group Company or has any direct or indirect ownership interest in any Group Company. No Group Company is indebted (or committed to make loans or extend or guarantee credit) to any Related Party (other than the Shareholder's Loan or in the ordinary course of business and for accrued salaries, reimbursable expenses or other standard employee benefits).

21.2 None of the employees or the senior management of any Group Company is at the date hereof either individually or collectively or with any, other person or persons engaged in any other business or concerned or interested in any way whatsoever in any other business of a similar nature to or competitive with that carried on by any

Group Company.

22. Anti-competitive agreements and practices

22.1 The Group is not a party to any agreement, arrangement or concerted practice or is not or has not been carrying on any practice material to the business of the Group which in whole or in part may contravene or may be invalidated by any anti-trust, fair trading, dumping, state aid, consumer protection or similar laws or regulations in any jurisdiction.

23. Insolvency

23.1 The Group Companies are not insolvent nor unable to pay their respective debts, including their respective future and prospective debts or are in liquidation under the law of the jurisdiction in which they are incorporated or other applicable laws.

23.2 The Group has not proposed nor intends to propose any arrangement of any type with its creditors or any group of creditors whether by court process or otherwise under which such creditors shall receive or be paid less than the amounts contractually or otherwise due to them.

23.3 No petition has been presented, application made, proceedings commenced, resolution passed or meeting convened for the termination, liquidation, bankruptcy or dissolution of the Group or any process been commenced whereby the business of the Group is terminated and the assets of the Group are distributed amongst the creditors or shareholder or other contributories of the Group or whereby the affairs, business or assets of the Group are managed by a person appointed for the purpose by a court, governmental agency or similar body or by any creditor or the Group itself, nor has any such order or relief been granted or appointment made, and there are no cases or proceedings under any applicable insolvency, reorganisation, or similar laws in any jurisdiction concerning the Group and no events have occurred which, under the law of the jurisdiction in which it is incorporated or other applicable laws, would justify any such cases or proceedings.

23.4 No liquidator, trustee, supervisor, nominee, custodian or similar official has been appointed in respect of the whole or any part of the business or assets of the Group nor has any step been taken for or with a view to the appointment of such a person nor has any event taken place or is likely to take place as a consequence of which such an appointment might be made.

23.5 No creditor of the Group has taken, or is entitled to take any steps to enforce, or has enforced any security over any assets of the Group or is likely to do so in the immediate future.

23.6 The Group is not in default of any of its obligations in relation to any of its financial facilities.

23.7 None of the businesses or assets of the Group are the subject of any seizure, execution or other compulsory disposal procedure, either in whole or in part, no liquidation committee or similar body or person has been appointed in any

jurisdiction in respect of the whole or any part of the business or assets of the Group and no step has been taken for or with a view to the appointment of such a body or person.

23.8 No ruling declaring the insolvency of the Group Companies has been made and no public announcement in respect of the same has been pronounced by a court of the jurisdiction in which they are respectively incorporated.

23.9 There is no unfulfilled or unsatisfied judgment or order of a court of the jurisdiction in which it is incorporated outstanding against any of the Group Companies.

24. Sale Shares

24.1 The Sale Shares represent approximately 30% of the total issued share capital of the Company as at the date of this Agreement and at Completion and all such Sale Shares are free from Encumbrances.

24.2 Subject to fulfilment of the Conditions Precedent, immediately before Completion, the Sale Shares are issued fully paid or credited as fully paid and are beneficially owned by the Vendor free from all Encumbrances and the same are freely transferable by the Vendor to the Purchaser without the consent, approval, permission, licence or concurrence of any third party.

24.3 The Vendor is not under any contract, option or any other obligation regarding the Sale Shares or the unissued share capital of the Company and the Company is not under any contract, options, warrants or any other obligations regarding any part of its capital, issued or unissued, or for the issue of any shares, debentures, warrants, options, or other similar securities.

25. Repetition of the Vendor's Warranties

25.1 The Vendor's Warranties are deemed to be given as at the date hereof and shall be deemed to be repeated at the time of the Completion with reference to the facts and circumstances then subsisting.

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

The Vendor

SIGNED for and on behalf of)
JUN YANG FINANCIAL HOLDINGS)
LIMITED 君陽金融控股有限公司)
by Kwok Sze Yiu, Gordon)
its director, in the presence of:)



The Purchaser

SIGNED for and on behalf of
LUCKY FAMOUS LIMITED
by Kuang Hao Kun Giovanni
its director, in the presence of:

)
)
)
)




Tong Ho Fai


EXHIBIT A

Management Accounts

君陽光電投資控股有限公司
綜合財務狀況表

草稿

	二零一六年 五月三十一日 千港元	二零一五年 十二月三十一日 千港元
非流動資產		
物業、廠房及設備	510,559	451,653
	<u>510,559</u>	<u>451,653</u>
流動資產		
貿易應收款	15,724	8,926
其他應收款	12,475	16,321
可收回增值稅	49,438	47,825
現金及現金等價物	100,335	149,641
	<u>177,972</u>	<u>222,713</u>
流動負債		
貿易及其他應付款	167,539	164,938
與控股公司往來帳	77,258	77,258
應付稅項	(65)	(61)
銀行及其他借貸	119,656	107,971
	<u>364,388</u>	<u>350,106</u>
流動資產淨值	<u>(186,416)</u>	<u>(127,393)</u>
總資產減流動負債	<u>324,143</u>	<u>324,260</u>
非流動負債		
遞延收入	209,705	214,584
資產淨值	<u>114,438</u>	<u>109,676</u>
資本及儲備		
股本	277	277
股本溢價	233,721	233,721
匯兌儲備	(13,678)	(8,938)
未發配利潤	(115,252)	(78,991)
本年利潤	9,502	(36,260)
本公司擁有人應佔權益	<u>114,570</u>	<u>109,809</u>
非控股股東權益	(132)	(133)
權益總額	<u>114,438</u>	<u>109,676</u>

君陽光電投資控股有限公司
綜合損益表
截至二零一六年五月三十一日止期間

草稿

	二零一六年 一月一日至 五月三十一日 千港元	二零一五年 一月一日至 十二月三十一日 千港元
收益	26,178	40,143
銷售及服務成本	(13,204)	(25,114)
溢利總額	12,974	15,029
其他收入及收益	4,698	12,499
其他經營開支	(8,107)	(64,086)
除稅前（虧損）／溢利	9,565	(36,558)
所得稅開支	(62)	287
年內（虧損）／溢利	9,503	(36,271)
非控股股東權益	(1)	12
年內（虧損）／溢利	9,502	(36,259)