

DATED 28 February 2017

**HARBOUR TIME GROUP LIMITED** (1)  
(the "Borrower")

- and -

**SUN FINANCE COMPANY LIMITED** (2)  
(the "Lender")

---

**LOAN AGREEMENT**

relating to a loan in the principal amount of  
HONG KONG DOLLARS THIRTY FIVE MILLION ONLY  
HK\$35,000,000

---

## CONTENTS

<u>Clause</u>		<u>Page</u>
1.	DEFINITIONS AND INTERPRETATION .....	1
2.	THE LOAN .....	3
3.	PURPOSE .....	3
4.	CONDITIONS PRECEDENT .....	3
5.	NOTICE OF DRAWING .....	4
6.	SECURITY .....	4
7.	SECURITY COVER .....	4
8.	INTEREST .....	5
9.	REPAYMENT .....	5
10.	PREPAYMENT .....	6
11.	PAYMENTS .....	6
12.	REPRESENTATIONS AND WARRANTIES .....	7
13.	UNDERTAKINGS .....	9
14.	EVENTS OF DEFAULT .....	9
15.	INDEMNITIES .....	11
16.	EXPENSES AND COSTS .....	11
17.	NOTICES .....	11
18.	GENERAL PROVISIONS .....	13
19.	INDEPENDENT LEGAL ADVICE .....	15
20.	GOVERNING LAW AND JURISDICTION .....	15
21.	DECLARATION .....	15
	THE SCHEDULE .....	17
	Form of Notice of Drawing .....	17
	EXECUTION PAGE .....	19

THIS AGREEMENT is made the 28<sup>th</sup> day of February, 2017

**BETWEEN:**

1. **HARBOUR TIME GROUP LIMITED**, a company incorporated under the laws of Hong Kong with company number 884490 whose registered office is at Units 2001-2, 20<sup>th</sup> Floor, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong (the “**Borrower**”);
2. **SUN FINANCE COMPANY LIMITED**, a company incorporated under the laws of Hong Kong with company number 935882 whose registered office is at Unit 2401, 24<sup>th</sup> Floor, China Merchants Tower, Shun Tak Centre, 168–200 Connaught Road, Sheung Wan, Hong Kong (the “**Lender**”).

**WHEREAS:**

- (A) At the request of the Borrower, the Lender has agreed to make the Loan to the Borrower subject to and upon the terms and conditions set out in this Loan Agreement.
- (B) This Agreement shall constitute a note or memorandum under Section 18(1)(a) of Money Lenders Ordinance (Cap. 163).
- (C) The Borrower's acknowledgement duly signed by the Borrower in respect of the receipt of this Agreement and copies of the Money Lenders Ordinance (Cap.163) is attached hereto as Appendix 1.

**IT IS HEREBY AGREED:**

1. **DEFINITIONS AND INTERPRETATION**

- 1.1 Definitions: In this Agreement, including its recitals and schedules, unless the context otherwise requires:

“ <b>Business Day</b> ”	means a day (excluding Saturday) on which banks are open for business in Hong Kong;
“ <b>Drawdown Date</b> ”	means the date on which the Borrower draws the Loan which shall be the date of this Agreement or such later date as agreed between the Borrower and the Lender;
“ <b>Encumbrance</b> ”	includes any mortgage, charge, pledge, lien, encumbrance, hypothecation or other security interest or security arrangement of any kind;
“ <b>Event of Default</b> ”	means any of the events of default set out in the Security Documents and in Clause 14;

<b>“Hong Kong”</b>	means the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Hong Kong Dollars” or “HK\$”</b>	means the lawful currency of Hong Kong;
<b>“Interest Period”</b>	means an interest period ascertained in accordance with Clause 8(A);
<b>“Loan”</b>	means a term loan in the sum of HK\$35,000,000 to be lent to the Borrower under this Agreement;
<b>“Notice of Drawing”</b>	means a notice in the form set out in the Schedule hereto;
<b>“person”</b>	includes any individual, company, body corporate or unincorporate or other juridical person, partnership, firm, joint venture or trust or any federation, state or subdivision thereof or any government or agency of any thereof;
<b>“Potential Event of Default”</b>	means any event or circumstance which with the giving of notice, the passage of time or any determination of materiality (or any combination of them) would, or would reasonably be expected to, become an Event of Default;
<b>“Purpose”</b>	means the purpose of the Loan as described in Clause 3;
<b>“Repayment Date”</b>	means the due date for repayment of each of the instalment of the Loan as specified under Clause 9;
<b>“Security”</b>	means the security for the Loan as described in Clause 6; and
<b>“Security Documents”</b>	means the security documents as referred to in Clause 6 to be executed as Security.

1.2 Unless the context otherwise requires, any reference in this Agreement to:

- (A) the **“dissolution”** of a person also includes the bankruptcy of that person, and any equivalent or analogous procedure under the law of any jurisdiction in which that person is incorporated, domiciled or resident or carries on business or has assets;
- (B) **“indebtedness”** includes any obligation of any person for the payment or repayment of money, whether present or future, actual or contingent, solely or jointly, including but not limited to, any such obligation:
  - (I) under or in respect of any acceptance, bill, bond, debenture, note or similar instrument;
  - (II) under or in respect of any guarantee, warranty, indemnity, counter-security or other assurance against financial loss;
  - (III) in respect of the purchase, hire or lease of any asset or service; or
  - (IV) in respect of any indebtedness of any other person whether or not secured by or benefiting from an Encumbrance on any property or asset of such person;
- (C) something having a **“material adverse effect”** on a person is a reference to it having a material adverse effect on that person's financial condition, business or operations or on its ability to perform and comply with its obligations under this Agreement;

- (D) **“materially”** in respect of any matter, thing or circumstance or to any matter, thing or circumstance being **“material”** is, subject as otherwise provided in this Agreement, to that matter, thing or circumstance being reasonably considered by the Lender of significance or having or being likely to have in the opinion of the Lender a consequence or effect in the context of the relevant situation;
- (E) any matter, warranty or obligation being correct, performed or satisfied in **“any material respect”** or **“in all material respects”** is to that matter, warranty or obligation being substantially correct, performed or satisfied to the extent that in the reasonable opinion of the Lender there has been no inaccuracy or omission which, in the relevant circumstances, is of significance or has or may have any effect or consequence;
- (F) any **“obligations”** of any party under this Agreement or any other agreement shall be construed as a reference to an obligation expressed to be assumed by or imposed on it under this Agreement or that agreement, as the case may be (and **“due”**, **“owing”**, **“payable”** and **“receivable”** shall be similarly construed);
- (G) any **law, directive or agreement** shall be to the same as from time to time re-enacted, amended or modified (as the case may be); and
- (H) any **collective definition** shall be to the persons or things comprising it as a whole or to any one or more of them or to any part of the relevant thing or matter.

1.3 **Interpretation:** The expressions **“Borrower”** and **“Lender”** shall, where the context permits include their respective successors and permitted assigns and any persons deriving title under them. Unless the context requires otherwise, words importing a gender include every gender; references to this Agreement or other document shall be to such document as the same may be amended, supplemented or novated from time to time; and references to this Agreement include the Schedule hereto. Clause headings are included for reference only and shall be ignored in construing this Agreement.

## 2. **THE LOAN**

Subject to the provisions of this Agreement, the principal amount of the Loan shall be HONG KONG DOLLARS THIRTY FIVE MILLION ONLY (HK\$35,000,000).

## 3. **PURPOSE**

The Loan shall be used exclusively for the purpose of providing general funding to the Borrower, but the Lender shall not be under any obligation to verify that the Borrower has used or will use any Loan for the aforesaid purpose (the **“Purpose”**).

## 4. **CONDITIONS PRECEDENT**

4.1 Subject as provided in this Clause 4.1, the Lender shall not be obliged to make the Loan

available to the Borrower unless the Lender shall first have received each of the following documents in form and substance satisfactory to the Lender:

- (A) this Agreement duly signed by the Borrower;
- (B) each of the duly executed Security Documents;
- (C) evidence that the Borrower shall apply the Loan only for the Purpose;
- (D) evidence that all necessary authorisations, approvals, consents and waivers have been obtained and all necessary filings, registrations and other formalities have been or will be completed in order to ensure that this Agreement is valid and enforceable; and
- (E) such other documents and information as the Lender may reasonably require.

4.2 Notwithstanding the aforesaid, the Lender shall have the right to waive any of the above documents from time to time during the subsistence of this Agreement.

#### 5. **NOTICE OF DRAWING**

The Notice of Drawing once received by the Lender shall be irrevocable and, subject to the terms of this Agreement, the Borrower shall be bound to borrow the Loan in accordance therewith. The aforesaid requirement in relation to the Notice of Drawing may be varied or waived by the mutual agreement between the Lender and the Borrower from time to time.

#### 6. **SECURITY**

The Loan (including the principal, interest and all other monies payable hereunder) shall continue to be fully secured by the following security (the “**Security**”) by way of security documents in form and substance satisfactory to the Lender (the “**Security Documents**”):

- (A) the Second legal charge in respect of the property known as Flat A, 21<sup>st</sup> Floor, Car Park No.1 on 1<sup>st</sup> Floor and Ancillary Space No.1A on 1<sup>st</sup> Floor, The Harbourview, No.11 Magazine Gap Road, Hong Kong; and
- (B) Personal guarantee executed by Mr. Zhang Sanhuo.

The security provider referred to in this Clause 6 is collectively referred to as the “**Security Provider**”.

The Security Documents shall take effect immediately upon signing of this Agreement and remain valid until and unless full repayment of all indebtedness of the Borrower hereinunder.

#### 7. **SECURITY COVER**

7.1 For the purpose of securing the position of the Lender, the Lender shall be at liberty from time to time require the Borrower to provide to the Lender or to its order additional securities of such nature and in such amount or quantities acceptable to the Lender and execute all relevant

documents in respect thereof.

7.2 Without prejudice to the generality of Clause 7.1, the Lender shall be at liberty fill in the date of any or all of the Security Documents under Clause 6 to require the security created thereunder to take effect at such date and to take steps to perfect the security including the registration of such Security Documents.

7.3 Without prejudice to the generality of Clause 7.1, if at any time, due to changes in the value of the Security, then, the Borrower shall, forthwith upon the Lender's demand in writing and at the Lender's option, either:

(A) provide to the Lender or to its order additional securities of such nature and in such amount or quantities acceptable to the Lender and execute all relevant documents in respect thereof; or

(B) repay to the Lender such moneys as shall be necessary to secure the position of the Lender.

7.4 Without prejudice to the above options under Clause 7.3, the Lender may, at its sole discretion and at any time before either option is exercised by the Lender and/or the repayment is made, subject always, however, to the Lender giving two Business Days' prior notice to the Borrower, realize or sell the Security or any part thereof in or towards payment and settlement of the Loan.

## 8. INTEREST

The Borrower shall pay interest to the Lender on the Loan in accordance with the following terms:

(A) Interest Periods: Interest Period applicable to the Loan shall commence on the Drawdown Date and end on the Repayment Date(s) as specified under Clause 9.1, PROVIDED THAT any Interest Period which would otherwise end on a non-Business Day shall instead end on the immediate preceding Business Day.

(B) Rate and Calculation: The rate of interest applicable to the Loan shall be 24% per annum. Interest shall accrue from day to day, and shall be calculated on the basis of the actual number of days elapsed and a 365 day year, including the first day and the last day of the period during which it accrues, and shall be paid by six monthly installments of HK\$700,000 each on the 28<sup>th</sup> day of each month, and if the Loan is extended, by further six monthly installments of HK\$700,000 each on the 28<sup>th</sup> day of each month, and the first monthly payment shall be made on 28 March 2017.

## 9. REPAYMENT

9.1 The Borrower shall repay the Loan together with all accrued interest and other moneys outstanding hereunder by a single payment not later than 5:00 p.m. (Hong Kong time) on the

- date falling 6 months after the Drawdown Date (the "**Repayment Date**") by delivery to the Lender of a cheque or bankers' draft payable to or to the order of the Lender (drawn on a bank in Hong Kong acceptable to the Lender) in immediately available funds, or in such other manner as the Lender may from time to time require. All payments by the Borrower shall be made in full without any set-off or counterclaim or any deduction or withholding for or on account of any present or future taxes, duties, charges or fees of any kind.
- 9.2 Subject to there being no Event of Default, the Borrower may give not less than one (1) week prior written notice to the Lender to extend the Loan for a further six-month period on the same terms and conditions. If the Loan is extended, the Repayment Date shall be extended for six months.
- 9.3 Any sum which would otherwise have become due on a non-business day will instead become due on immediately preceding business day and interest will be so adjusted.
- 9.4 Notwithstanding anything contained in this Agreement, the Borrower shall forthwith on demand repay to the Lender the Loan, accrued interest (if any) and all other sums payable under this Agreement.
10. **PREPAYMENT**
- 10.1 The Borrower may at any time after the drawdown of the Loan prepay all or part of the Loan on any Business Day **PROVIDED THAT** the Borrower shall have given the Lender not less than three (3) Business Days prior written notice specifying the proposed amount and date of prepayment; the amount of any partial prepayment of the Loan shall be at least HK\$2,000,000; and, at the time of prepayment, the Borrower shall pay to the Lender all accrued interests (if any) and other sums then due and payable hereunder up to and including the date of prepayment.
- 10.2 If the Loan or any part thereof is prepaid under any provision of this Agreement, the Lender shall, within three (3) Business Days after the prepayment date, repay to the Borrower the interest, if any, paid by the Borrower under Clause 8(B) for the period from the date immediately after the date of the prepayment to the Repayment Dates.
11. **PAYMENTS**
- 11.1 Amounts to be advanced by the Lender under this Agreement shall be made available to the Borrower in immediately available funds in the manner as specified in the Notice of Drawing. The Borrower shall be deemed to have borrowed the relevant amount(s) when such payment(s) have been made by the Lender in the manner described above.
- 11.2 All payments by the Borrower under this Agreement shall be made to the Lender not later than 12:00 noon (Hong Kong time) on the relevant due date, by delivery to the Lender of a bankers' draft payable to or to the order of the Lender (drawn on a bank in Hong Kong acceptable to the Lender) in immediately available funds, or in such other manner as the Lender may from time



to time require. All payments by the Borrower shall be made in full without any set-off or counterclaim or any deduction or withholding for or on account of any present or future taxes, duties, charges or fees of any kind. If the Borrower is compelled by law to make any such deduction or withholding it will pay to the Lender such additional amounts as will result in actual receipt by the Lender of the full amounts which it would have received and retained if there had been no such deduction or withholding. If the Lender receives less than the full amount due, the Lender may allocate the amount received towards principal, interest and/or other sums owing hereunder as it deems appropriate.

11.3 Any sum which would otherwise have become due on a non-Business Day will instead become due on immediately preceding Business Day and interest will be so adjusted.

## 12. REPRESENTATIONS AND WARRANTIES

12.1 The Borrower represents and warrants to the Lender that in relation to the Borrower itself:

- (A) the Borrower has full power, authority and legal right to own property and assets and to enter into and engage in the transaction(s) contemplated by this Agreement;
- (B) the Borrower has taken all necessary actions and has obtained all necessary consents (if any) in order to borrow the Loan on the terms of this Agreement, and to execute and perform its obligations under this Agreement and this Agreement constitutes legal, valid and binding obligations of the Borrower enforceable in accordance with its terms;
- (C) neither the borrowing of the Loan nor the entry into and exercise or performance by the Borrower of its rights and obligations under this Agreement will conflict with the memorandum and articles of association of the Borrower and/or any obligation applicable to the Borrower or cause any limitation on it or result in or oblige the Borrower to create any Encumbrance on any of its assets, save as that creation or contemplated under the Security Documents;
- (D) there are no current, pending or (to the best of the knowledge and belief of the Borrower) threatened actions or proceedings before any court, arbitrator, administrative tribunal or governmental authority which might materially and adversely affect the assets or condition (financial or otherwise) of the Borrower or its ability to perform its obligations under this Agreement;
- (E) all authorisations required from any governmental or other authority or from any creditors of the Borrower for or in connection with the execution, validity and performance of this Agreement have been obtained and are in full force and effect (or, by the date on which the Notice of Drawing is given, will have been obtained and be in full force and effect) and there has been no default under the conditions of any of the same; and
- (F) it is not necessary in order to ensure the validity, enforceability, priority or admissibility

in evidence in proceedings of this Agreement in Hong Kong or any other relevant jurisdiction that it or any other document be filed or registered with any authority in Hong Kong or elsewhere or that any tax be paid in respect thereof.

12.2 The Borrower represents and warrants to the Lender that in relation to the Security Provider:

- (A) the Security Provider has full power, authority and legal right to own property and assets and to enter into and engage in the transaction(s) contemplated by this Agreement;
- (B) the Security Provider has taken all necessary actions and has obtained all necessary consents in order to provide the relevant Security on the terms of the relevant Security Document, and to execute and perform its/his obligations under the relevant Security Document and the relevant Security Document constitutes legal, valid and binding obligations of the Security Provider enforceable in accordance with its terms;
- (C) neither the provision of the relevant Security nor the entry into and exercise or performance by the Security Provider of its/his rights and obligations under the relevant Security Document will conflict with any obligation applicable to the Security Provider or cause any limitation on him or result in or oblige the Security Provider to create any Encumbrance on any of his assets, save as that creation or contemplated under the Security Documents;
- (D) there are no current, pending or (to the best of the knowledge and belief of the Borrower) threatened actions or proceedings before any court, arbitrator, administrative tribunal or governmental authority which might materially and adversely affect the assets or condition (financial or otherwise) of the Security Provider or its/his ability to perform its/his obligations under the relevant Security Document;
- (E) all authorisations required from any governmental or other authority or from any creditors of the Security Provider for or in connection with the execution, validity and performance of the Security Documents have been obtained and are in full force and effect (or, by the date on which the Notice of Drawing is given, will have been obtained and be in full force and effect) and there has been no default under the conditions of any of the same; and
- (F) it is not necessary in order to ensure the validity, enforceability, priority or admissibility in evidence in proceedings of the Security Documents in Hong Kong or any other relevant jurisdiction that it or any other document be filed or registered with any authority in Hong Kong or elsewhere or that any tax be paid in respect thereof.

12.3 The Borrower also represents and warrants to and undertakes with the Lender that the foregoing representations and warranties will be true and accurate throughout the continuance of this Agreement with reference to the facts and circumstances subsisting from time to time,

and acknowledges that the Lender has entered into this Agreement in reliance upon the representations and warranties contained in this Clause.

### 13. UNDERTAKINGS

13.1 The Borrower undertakes that, on and after the date hereof, and for so long as any sum or obligation (whether actual or contingent) remains to be lent or owing under this Agreement:

- (A) It will forthwith notify the Lender of:
  - (I) any material litigation, arbitration or administrative proceedings which are brought or (to its knowledge) threatened against the Borrower and the Security Provider;
  - (II) any Event of Default or Potential Event of Default; or
  - (III) other occurrence, event or circumstance which could materially and adversely affect the ability of the Borrower/ the Security Provider to perform its/his obligations under this Agreement/the Security Documents;
- (B) it will punctually pay all sums due from it to the Lender and otherwise comply with its obligations under this Agreement;
- (C) it will procure that the Borrower shall provide to the Lender any information pertaining to its financial status as the Lender may require from time to time;
- (D) it will not to increase its borrowing owed to UBS AG related to the first mortgage with respect to Flat A, 21<sup>st</sup> Floor, Car Park No.1 on 1<sup>st</sup> Floor and Ancillary Space No.1A on 1<sup>st</sup> Floor, The Harbourview, No.11 Magazine Gap Road, Hong Kong; and
- (E) there shall not be any material adverse change in the financial condition of the Borrower.

13.2 The Borrower further undertakes to the Lender that it shall or procure the Security Provider to provide all the assistance and execute such documents as the Lender may require for perfecting the Lender's security under the Security Documents including but not limited to the giving of such instruction to the registered agent of the Borrower/the Security Provider in the relevant jurisdictions for the registration of the Security Documents with the Registrar of Companies or any other authorities in the relevant jurisdictions.

### 14. EVENTS OF DEFAULT

If and at any time after any of the following events or circumstances (each an "**Event of Default**") occurs:

- (A) the Borrower fails to pay any sum payable under this Agreement when due or otherwise in accordance with the provisions hereof;
- (B) the Borrower fails punctually to perform any of its other obligations under this

Agreement and, in respect only of a failure which in the reasonable opinion of the Lender is capable of remedy and which is not a failure to pay money, does not remedy such failure to the Lender's satisfaction within 7 days after receipt of notice from the Lender requiring it to do so;

- (C) any representation or warranty made or deemed to be made by the Borrower in or in connection with this Agreement or proves to have been untrue and inaccurate in any respect;
- (D) the Borrower fails to observe or comply with any undertaking made or deemed to be made by the Borrower in or in connection with this Agreement;
- (E) the Borrower and/or its shareholder or director commits an act of bankruptcy, dies or becomes of unsound mind;
- (F) the Borrower stops or suspends payments to its creditors generally or is unable or admits its inability to pay its debts as they fall due or is declared or is bankrupt or insolvent,
- (G) a creditor takes possession of all or any part of the assets of the Borrower or any execution or other legal process is commenced or enforced against all or any part of the assets of the Borrower and is not discharged or stayed within 14 days;
- (H) the Borrower defaults or receives notice of default under any Agreement or obligation relating to borrowing or any indebtedness of the Borrower becomes payable or capable of being declared payable before its stated maturity or is not paid when due or any Encumbrance, guarantee or other security now or hereafter created by the Borrower becomes enforceable;
- (I) the Borrower defaults to provide the Lender the security cover under Clause 7;
- (J) if it is or becomes unlawful for the Lender to give effect to its obligations hereunder, or if this Agreement or any provision hereof is not, or ceases to be for any reason in full force and effect or is or becomes terminated, jeopardised, invalid, impossible to perform or unenforceable;
- (K) any situation occurs which in the opinion of the Lender may materially and adversely affect the ability of the Borrower to perform its obligations under this Agreement, or for the Lender to exercise all or any of his rights, powers and remedies hereunder or thereunder;

then, in each case, the Lender may:

- (I) if the Loan has not been advanced, declare in writing the Lender's obligation to advance the Loan shall immediately cease; or
- (II) if the Loan has been advanced, by 3 (three) Business Days' notice to the

Borrower in writing in respect of the events under clause 14 (A) to (J), and/or by 7 (seven) Business Days' notice to the Borrower in writing in respect of the event under clause 14(K), declare the Loan, accrued interest (if any) and all other sums payable under this Agreement shall, upon expiry of the same, become immediately due and payable without further demand, notice or other legal formality of any kind.

**15. INDEMNITIES**

15.1 The Borrower shall indemnify and keep indemnified the Lender forthwith upon demand against all losses, liabilities, damages and expenses which the Lender may sustain or incur as a consequence of any Event of Default, Potential Event of Default or any default by the Borrower in the performance of its obligations under this Agreement or any failure to borrow in accordance with the Notice of Drawing or any prepayment under this Agreement or otherwise in connection with this Agreement.

15.2 Without limiting the foregoing, if any payment in respect of amounts due to the Lender under this Agreement is not made in Hong Kong Dollars, the Lender shall have a separate and independent cause of action against the Borrower to recover and be indemnified against any shortfall after conversion of the amount paid into Hong Kong Dollars.

15.3 If any change in, or in the interpretation of or compliance with, any law or regulation subjects the Lender to tax in respect of sums payable to the Lender hereunder (other than tax on the Lender's overall net income), or imposes or increases the cost to the Lender of making available the Loan or reduces the amount of any payment or effective return receivable by the Lender hereunder, then the Borrower will pay the Lender on demand all amounts required to compensate the Lender.

**16. EXPENSES AND COSTS**

16.1 Expenses: The Borrower shall from time to time forthwith on demand pay to the Lender on demand all costs and expenses on a full indemnity basis (including legal fees and other out-of-pocket expenses) incurred by the Lender in negotiating, documenting and executing this Agreement, the Security Documents and the documentation required hereunder and the arrangement of the Loan and any amendments, waivers or supplemental agreements to any of them or in suing for or seeking to recover any sums due or otherwise preserving or enforcing his rights under this Agreement and/or the Security Documents or in defending any claims brought against it in respect of this Agreement and/or the Security Documents.

**17. NOTICES**

17.1 Any notice to be given under this Agreement shall be in English or Chinese and made in writing and may be delivered personally or sent by prepaid letter (airmail if overseas) or facsimile transmission. A notice shall be sent to the addressee (marked for the attention of the

appropriate person) at its address or facsimile number set out below or to such other address or facsimile number as may be notified by such addressee to the other party from time to time by ten (10) days' prior written notice for the purposes of this Clause.

17.2 The initial address and facsimile number of each of the parties for the purposes of this Clause are as follows:

to the Borrower:

Address: Units 2001-2, 20<sup>th</sup> Floor, Li Po Chun Chambers, 189 Des Voeux Road Central, Hong Kong

Facsimile: 2897 9137

For the attention of: The Board of Directors

to the Lender:

Address: Unit 2401, 24<sup>th</sup> Floor, China Merchants Tower, Shun Tak Centre, 168-200 Connaught Road, Sheung Wan, Hong Kong

Facsimile: 2575 0708

For the attention of: the Board of Directors

17.3 A notice shall be deemed to have been served:

- (A) if personally delivered, at the time of delivery;
- (B) if posted, if to an addressee within the same country, two (2) working days (or if to an addressee in a different country, five (5) working days, when it shall be sent airmail) after the envelope containing the notice was delivered into the custody of the postal authorities;
- (C) if communicated by facsimile transmission, at the time of transmission;

**PROVIDED THAT** where, in the case of delivery by hand or transmission by facsimile, such delivery or transmission occurs after 4 p.m. (local time) on a working day or on a day which is not a working day in the place of receipt, service shall be deemed to occur at 9 a.m. (local time) on the next following working day in such place; and for this purpose, in this Clause "working day" means a day on which banks are open for business in the ordinary course, other than Saturdays and Sundays.

17.4 In proving service, it shall be sufficient to prove that personal delivery was made or that the envelope containing the notice was properly addressed and delivered into the custody of postal authorities authorised to accept the same, or if sent by facsimile, by receipt of automatic confirmation of transmission **PROVIDED THAT** a notice shall not be deemed to be served if communicated by facsimile transmission which is not legible in all material respects; such transmission shall be deemed to have been so legible if a request for retransmission is not made before the end of the next working day following the transmission.

18. **GENERAL PROVISIONS**

- 18.1 Further Assurance: Each party agrees to perform (or procure the performance of) all further acts and things, and execute and deliver (or procure the execution and delivery of) such further documents, as may be required by law or as may be necessary or reasonably desirable to implement and/or give effect to this Agreement and the transaction(s) contemplated by it.
- 18.2 Entire Agreement: This Agreement (together with any document described in or expressed to be entered into in connection with this Agreement) constitutes the entire agreement between the parties in relation to the transaction(s) referred to it or in them and supersedes any previous agreement between the parties in relation to such transaction(s). It is agreed that:
- (A) no party has entered into this Agreement in reliance upon any representation, warranty or undertaking of any other party which is not expressly set out or referred to in this Agreement; and
- (B) except for any breach of an express representation or warranty under this Agreement, no party shall have any claim or remedy under this Agreement in respect of misrepresentation or untrue statement made by any other party, whether negligent or otherwise, and whether made prior to or after this Agreement, **PROVIDED THAT** this Clause shall not exclude liability for fraudulent misrepresentation.
- 18.3 Remedies Cumulative: Any right, power or remedy expressly conferred upon any party under this Agreement shall be in addition to, not exclusive of, and without prejudice to all rights, powers and remedies which would, in the absence of express provision, be available to it; and may be exercised as often as such party considers appropriate.
- 18.4 Waivers: No failure, relaxation, forbearance, indulgence or delay of any party in exercising any right or remedy provided by law or under this Agreement shall affect the ability of that party subsequently to exercise such right or remedy or to pursue any other rights or remedies, nor shall such failure or delay constitute a waiver or variation of that or any other right or remedy. No single or partial exercise of any such right or remedy shall preclude any other or further exercise of it or the exercise of any other right or remedy.
- 18.5 Partial Invalidity: The parties intend that the provisions of this Agreement shall be enforced to the fullest extent permissible under the laws applied in each jurisdiction in which enforcement is sought. If any particular provision or part of this Agreement shall be held to be invalid or unenforceable, then such provision shall (so far as invalid or unenforceable) be given no effect and shall be deemed not to be included in this Agreement but without invalidating any of the remaining provisions of this Agreement. The parties shall use all reasonable endeavours to replace the invalid or unenforceable provisions by a valid and enforceable substitute provision the effect of which is as close as possible to the intended effect of the invalid or unenforceable provision.

18.6 Variation: No variation of any of the terms of this Agreement (or of any document described in or expressed to be entered into in connection with this Agreement) shall be effective unless such variation is made in writing and signed by or on behalf of each of the parties. The expression "Variation" shall include any variation, supplement, deletion or replacement however effected.

18.7 Assignment: This Agreement shall be binding upon, and inure to the benefit of, the parties and their respective successors and permitted assigns. The Borrower shall not take any steps to assign, transfer, charge or otherwise deal with all or any of his rights and/or obligations under or pursuant to this Agreement without the prior written consent of the Lender. In the absence of the prior written consent of the Lender, this Agreement shall not be capable of assignment by the Borrower.

If and at any time after any of the Event of Default under clause 14 occurs, the Lender may at any time transfer or assign to any one or more persons (an "**assignee lender**") all or any part of its rights, benefits and obligations under or arising out of this Agreement and the Borrower shall execute and do all such transfers, assignments, assurances, acts and things as the Lender may require for perfecting and completing the transfer or assignment of such rights, benefits and obligations. Upon any such assignment taking effect:

- (A) the Lender shall be released from such obligations and the Borrower shall look only to the assignee lender in respect of such obligations; and
- (B) references in this Agreement to the Lender shall be construed accordingly as references to the assignee lender or the Lender, as relevant.

All agreements, representations and warranties made herein shall survive any assignments made pursuant to this Clause and shall inure to the benefit of all assignee lenders as well as the Lender.

18.8 Counterparts: This Agreement may be executed in any number of counterparts all of which, taken together, shall constitute one and the same agreement. Any party may enter into this Agreement by executing any such counterpart.

18.9 Legal Relationship: The parties are independent principals and no party is nor shall it hold itself/himself out as the agent or partner of another, and no party shall have any authority to bind or incur any liability on behalf of any other party.

18.10 Punctual Performance: Time shall be of the essence of this Agreement.

18.11 Full Repayment of the Loan: All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding full repayment of the Loan except in respect of those matters already performed.

18.12 Set Off: The Lender may, without notice to the Borrower or any other person, set-off any



indebtedness owing by the Lender to the Borrower, against the liabilities of the Borrower under this Agreement.

18.13 Certificate Conclusive and Binding: Where any provision of this Agreement provides that the Lender may or shall:

(A) certify or determine an amount or rate payable by the Borrower; or

(B) certify that an amount is due and payable by the Borrower,

and a certificate signed by any director of the Lender (for and on behalf of the Lender and not in their own capacity) as to such amount or rate or the due date for payment shall be conclusive and binding on the Borrower in the absence of manifest error.

## 19. **INDEPENDENT LEGAL ADVICE**

19.1 Each party acknowledges that Messrs. TC & Co. has acted only for the Lender in the transactions contemplated by this Agreement, and that the Borrower and the Security Provider have been expressly requested by Messrs. TC & Co. to seek independent legal advice on this transaction.

19.2 The Borrower hereby acknowledges that it has sought full independent legal advice with regard to the contents of this Agreement, its legal effects and consequences and any other matter incidental thereto. The Borrower also acknowledges that it has read and understood this Agreement and is fully aware of its rights and obligations hereunder.

## 20. **GOVERNING LAW AND JURISDICTION**

This Agreement (together with all documents referred to in it) shall be governed by and construed and take effect in accordance with the laws of Hong Kong. Each of the parties irrevocably submits to the non-exclusive jurisdiction of the courts of Hong Kong for the determination of any question, dispute, suit, action or proceedings arising out of or in connection with this Agreement.

## 21. **EXISTENCE OF THIRD PARTY**

The Borrower hereby acknowledges that he/she has not entered into or signed any relevant agreement with any third parties in relation to the Loan and the record of meeting annexed to this Agreement as Appendix 2 represents a true, complete and accurate record of his/her response to the Lender's enquiries.

The Borrower acknowledges that the record of meeting annexed to this Agreement as Appendix 2 represents a true, complete and accurate record of his/her response to the Lender's enquiries.

## 22. **DECLARATION**

The parties hereto declare that the place of negotiation is and completion of this Agreement is

at the office of the Lender, i.e. Unit 2401, 24<sup>th</sup> Floor, China Merchants Tower, Shun Tak Centre,  
168–200 Connaught Road, Sheung Wan, Hong Kong.

**THE SCHEDULE**  
**Form of Notice of Drawing**

From: HARBOUR TIME GROUP LIMITED  
To: SUN FINANCE COMPANY LIMITED  
Date: 28 February 2017

Dear Sirs,

**Re: Loan Agreement dated 28 February 2017 relating to loan in the principal amount of HK\$35,000,000 (the "Loan Agreement")**

We refer to the Loan Agreement, and hereby give notice that we wish to draw the Loan on 28 February 2017 in the amount of HK\$35,000,000. The proceeds of the Loan are to be used for the purpose specified in the Loan Agreement.

The proceeds of the Loan should be made by payment to the following parties:-

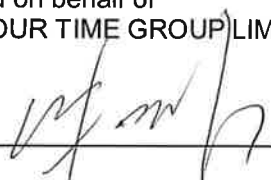
	HK\$
1. Zhang Sanhuo	35,000,000
	<u>35,000,000</u>

We confirm that:

- (a) the representations and warranties set out in of the Loan Agreement, repeated with reference to the facts and circumstances subsisting at the date of this notice, remain true and correct; and
- (b) no Event of Default or Potential Event of Default has occurred which remains unwaived or unremedied or would occur upon the making of the Loan.

Terms defined in the Loan Agreement have the same meanings when used in this notice.

Yours faithfully,  
For and on behalf of  
HARBOUR TIME GROUP LIMITED

  
\_\_\_\_\_  
Zhang Sanhuo  
Authorized signatory

**APPENDIX 1**

**ACKNOWLEDGEMENT OF RECEIPT**

From: HARBOUR TIME GROUP LIMITED

To: SUN FINANCE COMPANY LIMITED

Date: 28 February 2017

**RE: Loan Agreement dated 28 February 2017 relating to loan in the principal amount of HK\$35,000,000 (the "Loan Agreement")**

We refer to the Loan Agreement and acknowledge receipt of:-

1. A copy of the Loan Agreement showing all terms and conditions including, inter alia, the total sum payable on the Repayment Date;
2. Summary of Parts III and IV of the Money Lenders Ordinance (Cap. 163)

For and on behalf of

HARBOUR TIME GROUP LIMITED

  
\_\_\_\_\_

Zhang Sanhuo

Authorized signatory

EXECUTION PAGE

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

SIGNED by )  
ZHANG SANHUO )  
for and on behalf of )  
**HARBOUR TIME GROUP LIMITED** )  
in the presence of :- )  
*Max Deng* )  
*HANG XU* )

*For and on behalf of*  
**HARBOUR TIME GROUP LIMITED**  
*[Signature]*  
.....  
*Authorized Signature(s)*

SIGNED by )  
**TO HOI MAN** )  
its director for and on behalf of )  
**SUN FINANCE COMPANY LIMITED** )  
in the presence of :- )  
 )

*For and on behalf of*  
太陽國際財務有限公司  
**SUN FINANCE COMPANY LIMITED**  
*[Signature]*  
.....  
*Authorized Signature(s)*