

Dated the 4th day of December 2017

SHARP VISION HOLDINGS LIMITED

AND

FENGQIANG HOLDING LIMITED

(as Vendors)

AND

WANG SING TECHNOLOGY LIMITED

(as Purchaser)

AND

CHINA FIRE SAFETY ENTERPRISE GROUP LIMITED

AGREEMENT FOR SALE AND PURCHASE

OF SHARES IN

PTERIS GLOBAL LIMITED

CONTENTS

<u>Clause</u>	<u>Page</u>
1. INTERPRETATION	2
2. SALE AND PURCHASE OF THE SALE SHARES	7
3. CONSIDERATION	7
4. CONDITIONS	8
5. REPRESENTATIONS, WARRANTIES, INDEMNITIES AND UNDERTAKINGS	9
6. CONDUCT OF BUSINESS OF THE TARGET GROUP	10
7. COMPLETION	11
8. COSTS	13
9. CONFIDENTIALITY	14
10. TERMINATION	14
11. EXCLUSIVITY	14
12. NOTICES AND PROCESS AGENT	14
13. GOVERNING LAW	15
14. GENERAL	15
SCHEDULE I	17
SCHEDULE II.....	1

This Agreement is made on the 4th day of December of 2017:

BETWEEN:

- (1) **SHARP VISION HOLDINGS LIMITED**, a company incorporated under the laws of Hong Kong, whose registered office is at 3101-2 Infinitus Plaza, 199 Des Voeux Road Central, Hong Kong (the “**First Vendor**”);
- (2) **FENGQIANG HOLDING LIMITED**, a company established under the laws of the British Virgin Islands, whose registered office is at OMC Chambers, Wickhams Cay 1, Road Town, Tortola, British Virgin Islands (the “**Second Vendor**”);
- (3) **WANG SING TECHNOLOGY LIMITED**, a company incorporated under the laws of the British Virgin Islands, whose registered office is at P.O. Box 957, Offshore Incorporations Centre, Road Town, Totola, British Virgin Islands (the “**Purchaser**”); and
- (4) **CHINA FIRE SAFETY ENTERPRISE GROUP LIMITED**, a company incorporated under the laws of the Cayman Islands and listed on Main Board of the Stock Exchange (stock code: 445), whose registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands (“**CFE**”).

(each a “**Party**”, and collectively, the “**Parties**”) **WHEREAS:**

- (A) Pteris Global Limited (the “**Target**”, together with its subsidiaries, the “**Target Group**”) is a company incorporated under the laws of Singapore, with its registered address at 28 Quality Road, Singapore 618828. As at the date of this Agreement, the share capital of the Target consists of 385,365,703 Shares.
- (B) The First Vendor is the legal and beneficial owner of the First Sale Shares.
- (C) As at the date of this Agreement, the Second Vendor is the legal and beneficial owner of the Second Sale Shares.
- (D) The Vendors propose to sell to the Purchaser, and the Purchaser proposes to purchase from the Vendors the Sale Shares (the “**Proposed Acquisition**”).

IT IS AGREED as follows:

1. Interpretation

1.1 In this Agreement (including the Recitals and Schedules), the following terms shall have the following meanings unless the context requires otherwise:

“**Accounts**” means in relation to the Target Group, accounts prepared in accordance with the Applicable Law and in accordance with the accounting principles, standards and practices generally accepted as at the Accounts Date in the relevant jurisdiction, including:

- (a) the audited consolidated balance sheet of the Target as of the Accounts Date in respect of that financial period; and
- (b) the audited consolidated statements of income, owner’s equity and cash flows of each of the Target for the 12 months ended on the Accounts Date,

together with any notes, reports or statements included in or annexed to them;

“**Accounts Date**” means December 31, 2016, being the date to which the latest audited consolidated financial statements of the Target were made up;

“**Agreement**” means this sale and purchase agreement, as amended or supplemented from time to time;

“**Applicable Laws**” means any constitutions, enactments, ordinances, regulations, orders, notices, judgments, common law, treaties and any other legislations or laws of any relevant jurisdictions, including but not limited to the Hong Kong Listing Rules and Shenzhen Listing Rules;

“**associated companies**” has the meaning ascribed thereto under Hong Kong Accounting Standard 28 “Investments in Associate”, i.e., an enterprise in which an investor has significant influence but which is neither a subsidiary nor a joint venture of the investor;

“**Business Day**” means a day on which trading of shares is conducted on the Stock Exchange for both the morning and afternoon sessions;

“**CCASS**” means the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited;

“**CFE Share Option(s)**” means the share option(s) of CFE under the share option scheme adopted by CFE on May 29, 2009;

“**CFE Share(s)**” means ordinary share(s) of HK\$0.01 each in the share capital of CFE;

“**CIMC**” means China International Marine Containers (Group) Co., Ltd. (中国国际海运集装箱(集团)股份有限公司), a company established in the PRC with limited liability, the shares of which are listed on the Shenzhen Stock Exchange and the Main Board of the Stock Exchange, and a controlling shareholder of CFE, holding approximately 30% of the issued share capital of CFE as at the date of this Agreement;

“**CIMC Concert Group**” means CIMC and parties acting in concert with it (as defined in the Takeovers Code);

“**Completion**” means completion of the sale and purchase of the Sale Shares and the subscription of the Consideration Shares and Convertible Bonds in accordance with the terms and conditions of this Agreement;

“**Completion Date**” means the fifth (5th) Business Day from the day on which the Purchaser confirms to the Vendors in writing that all the conditions set out in **Clause 4.1** have been fulfilled or waived by it or such other later date as the Purchaser and the Vendors may agree in writing or, where **Clause 7.7(1)** applies, the Completion Date as so deferred in accordance with the provisions of **Clause 7.7(1)**;

“**Consideration Share(s)**” means the new CFE Shares to be allotted and issued by CFE in settlement of the consideration for the Proposed Acquisition;

“**Constitutional Documents**” means with respect to an entity, its memorandum and articles of association, by-laws or equivalent constitutional documents;

“**Conversion Shares**” means the CFE Shares to be allotted and issued by CFE upon the exercise of the conversion rights attaching to the Convertible Bonds;

“**Convertible Bonds**” means, the convertible bonds to be issued by CFE to the Vendors in satisfaction of part of the consideration of the Proposed Acquisition in accordance with the terms of the Sale and Purchase Agreement;

“**Encumbrance**” means any interest or equity of any person (including, without limitation, any right to acquire, option or right of pre-emption) and any claim, charge, mortgage, security interest, pledge, lien (including retention of title claims), right of set-off, trust arrangement, assignment, power of sale or hypothecation and any rental, hire purchase, creditor, conditional sale or other third party right or restriction or encumbrance of any nature whatsoever (whether or not perfected);

“**Executive**” means the Executive Director of the Corporate Finance Division of the SFC from time to time or any delegate of the Executive Director;

“**First Sale Shares**” means 301,153,690 Shares, representing approximately 78.15% of the issued share capital of the Target;

“**Governmental Authority**” means:

- (a) the government of any jurisdiction (including any national, state, municipal or local government or any political or administrative subdivision thereof) and any department, ministry, agency, instrumentality, court, central bank, commission or other authority thereof, including any entity directly or indirectly owned (in whole or in part) or controlled thereby;
- (b) any public international organization or supranational body (including without limitation the European Union) and its institutions, departments, agencies and instrumentalities; and
- (c) any quasi-governmental or private body or agency lawfully exercising, or entitled to exercise, any administrative, executive, judicial, legislative, regulatory, licensing, competition, tax, importing or other governmental or quasi-governmental authority;

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

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

“**Hong Kong Listing Rules**” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

“**Long Stop Date**” means March 31, 2018 or such later date as may be agreed in writing by the Vendors and the Purchaser;

“**Material Adverse Effect**” means any change (or effect) which, individually or in the aggregate, has a material and adverse effect on the financial position, business, assets or operations of the Target Group as a whole;

“**Participant**” means a person admitted for the time being by Hong Kong Securities Clearing Company Limited as a participant of CCASS;

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

“**Proposed Acquisition**” has the meaning ascribed thereto in **Recital (D)**;

“**Proposed CIMC Restructuring**” means the proposed disposal of approximately 78.15% equity interest in the Target by the First Vendor to the Purchaser at a consideration of RMB2,992,459,264 in consideration of the issue of 6,326,428,570 Consideration Shares, representing approximately 54.8% of the issued share capital of CFE as enlarged by the allotment and issuance of the Consideration Shares in respect of the Proposed Acquisition (or 4,664,472,279 Consideration Shares assuming the Proposed TianDa Acquisition has taken place, representing approximately 40.4% of the issued share capital of CFE as enlarged by the allotment and issuance of Consideration Shares in respect of the Proposed Acquisition and the Proposed TianDa Acquisition), and (ii) the issue of Convertible Bonds by CFE in the principal amount of RMB1,024,307,336, representing approximately 20.2% of the issued share capital of CFE as enlarged by the allotment and issuance of the Consideration Shares in respect of the Proposed Acquisition and upon full conversion of the Convertible Bonds of CFE issued in respect of the Proposed Acquisition (or, Convertible Bonds in the principal amount of RMB1,541,341,938 assuming the Proposed TianDa Acquisition has taken place, representing approximately 27.1% of the issued share capital as enlarged by the allotment and issuance of Consideration Shares in respect of the Proposed Acquisitions and upon full conversion of the Convertible Bonds), pursuant to this Agreement, which is a key step for the internal restructuring of CIMC and its subsidiaries, consolidation and strengthening of several ancillary business segments of CIMC and its subsidiaries;

“**Proposed TianDa Acquisition**” means the proposed acquisition by the Purchaser of 30% equity interest in Shenzhen CIMC-TianDa Airport Support Ltd. (深圳中集天达空港设备有限公司) from Lucky Rich Holdings Limited pursuant to the equity transfer agreement to be entered into by the Purchaser and Lucky Rich Holdings Limited on or around the date of this Agreement;

“**Sale Shares**” means the First Sale Shares and the Second Sale Shares, being a total of 383,064,391 Shares, representing approximately 99.41% of the issued share capital of the Target;

“**SFC**” the Securities and Futures Commission of Hong Kong;

“**Second Sale Shares**” means 81,910,701 Shares directly held by the Second Vendor, representing approximately 21.26% of the issued share capital of the Target;

“**Share(s)**” means ordinary share(s) of the Target;

“**Shenzhen Listing Rules**” means the Rules Governing the Listing of Stocks on Shenzhen Stock Exchange;

“**Stamp Duty Documents**” means documents as may be prescribed from time to time by the Inland Revenue Authority of Singapore for the purpose of assessing the stamp duty payable on a transfer of shares;

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

“**Takeovers Code**” means the Hong Kong Code on Takeovers and Mergers;

“**Target**” has the meaning ascribed thereto in **Recital (A)**;

“**Target Group**” has the meaning ascribed thereto in **Recital (A)**;

“**Tax**” means all taxes, levies, duties, imposts and any charges, deductions or withholdings in the nature of tax including taxes on gross or net income, profits or gains and taxes on receipts, sales, use, occupation, development, franchise, employment, value added and personal property, together with all penalties, charges and interest relating to any of them or to any failure to file any return required for the purposes of any of them, regardless of whether any such taxes, levies, duties, imposts, charges, deductions, withholdings, penalties and interest are chargeable directly or primarily against or attributable directly or primarily to the Target or any other person and of whether any amount in respect of any of them is recoverable from any other person;

“**TianDa Completion**” means completion of the Proposed TianDa Acquisition and the subscription of the consideration shares and convertible bonds to be issued by CFE by Lucky Rich Holdings Limited (or its nominees) pursuant to the equity transfer agreement to be entered into by the Purchaser and Lucky Rich Holdings Limited on or around the date of this Agreement;

“**TianDa Conditions**” means the conditions precedents to the TianDa Completion as provided in the equity transfer agreement to be entered into by the Purchaser and Lucky Rich Holdings Limited on or around the date of this Agreement;

“**Total Consideration**” has the meaning ascribed thereto under **Clause 3.1**;

“**Vendors**” means the First Vendor and the Second Vendor, and each a “**Vendor**”;

“**Warranties**” means the warranties and representations made by the Vendors in **Clause 5** and **Schedule II** and “**Warranty**” means any one of them;

“**Whitewash Waiver**” means a waiver by the Executive pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code from the obligation of the CIMC Concert Group to make a mandatory general offer for all CFE Shares and CFE Share Options that are not already or agreed to be acquired by them as a result of the allotment and issuance of Consideration Shares to the First Vendor (or its nominee(s)); and

“**%**” means per cent.

- 1.2 In this Agreement, unless the context otherwise requires, any reference to a “Clause”, is a reference to a clause to this Agreement and, unless otherwise indicated, a reference to a Clause includes all the sub-Clauses of that Clause.
- 1.3 In this Agreement, words importing the singular include the plural and vice versa, words importing gender or the neuter include both genders and the neuter and references to persons include bodies corporate or unincorporate.
- 1.4 The headings and table of contents in this Agreement are for convenience only and shall not affect its interpretation.
- 1.5 In this Agreement, references to statutory provisions shall be construed as references to those provisions as respectively amended or re-enacted (whether before or after the date hereof) from time to time and shall include any provision of which they are re-enactments (whether with or without modification) and any subordinate legislation made under provisions.

- 1.6 Unless explicitly stated, all references to time and date herein are references to Hong Kong time and date.
- 1.7 The terms “subsidiary” and “holding company” in this Agreement shall have the meaning ascribed thereto under Rule 1.01 of the Hong Kong Listing Rules

2. Sale and Purchase of the Sale Shares

- 2.1 Subject to and in accordance with the terms and conditions of this Agreement, the First Vendor shall sell the First Sale Shares to the Purchaser, and the Purchaser shall purchase the First Sale Shares owned by the First Vendor at such consideration as specified in **Clause 3.1** in the manner as specified in **Clauses 3.2** or **3.3** (as the case may be) below, free from all Encumbrances together with all rights, dividends, entitlements and advantages now and hereafter accrued thereto and including on the Completion Date.
- 2.2 Subject to and in accordance with the terms and conditions of this Agreement, the Second Vendor shall sell the Second Sale Shares to the Purchaser, and the Purchaser shall purchase the Second Sale Shares from the Second Vendor at such consideration as specified in **Clause 3.1** in the manner as specified in **Clauses 3.2** or **3.3** (as the case may be) below, free from all Encumbrances together with all rights, dividends, entitlements and advantages now and hereafter accrued thereto and including on the Completion Date
- 2.3 The Purchaser shall not be obliged to complete the sale and purchase of any of the Sale Shares unless the sale and purchase of all the Sale Shares are completed simultaneously.

3. Consideration

- 3.1 The aggregate consideration payable for the Sale Shares (the “**Total Consideration**”) shall be RMB3,806,530,716, of which RMB2,992,459,264 shall be payable to the First Vendor and RMB814,071,452 shall be payable to the Second Vendor, in the following manner as specified in **Clauses 3.2** and **3.3** below:
- 3.2 If the TianDa Completion does not take place on or prior to the Completion:
- (a) RMB2,992,459,264 payable to the First Vendor shall be satisfied by the issuance of 4,664,472,279 Consideration Shares by CFE at the issue price of HK\$0.366 per Consideration Share and Convertible Bonds in the principal amount of RMB1,024,307,336 to the First Vendor (or its nominee(s)) on the Completion Date, and:
 - (i) if the TianDa Conditions are not satisfied (or waived, as the case may be) on or before the Long Stop Date, 1,661,956,291 Consideration Shares shall be issued by CFE within ten (10) Business Days after the Long Stop Date; or
 - (ii) if the TianDa Conditions are satisfied (or waived, as the case may be) on or before the Long Stop Date, Convertible Bonds in the principal amount of RMB517,034,602 shall be issued by CFE within ten (10) Business Days after the date of the TianDa Completion; and
 - (b) RMB814,071,452 payable to the Second Vendor shall be satisfied by the issuance of 956,000,000 Consideration Shares by CFE at the issue price of HK\$0.366 per Consideration Share and Convertible Bonds in the principal

amount of RMB256,904,950 to the Second Vendor (or its nominee(s)) on the Completion Date, and:

- (i) if the TianDa Conditions are not satisfied (or waived, as the case may be) on or before the Long Stop Date, 187,679,470 Consideration Shares and Convertible Bonds in the principal amount of RMB201,367,819 shall be issued by CFE within ten (10) Business Days after the Long Stop Date; or
- (ii) if the TianDa Conditions are satisfied (or waived, as the case may be) on or before the Long Stop Date, 834,956,291 Consideration Shares shall to be issued by CFE within ten (10) Business Days after the date of the TianDa Completion.

3.3 If the TianDa Completion takes place on or prior to the Completion:

- (a) RMB2,992,459,264 payable to the First Vendor shall be satisfied by the issuance of 4,664,472,279 Consideration Shares by CFE at the issue price of HK\$0.366 per CFE Share and Convertible Bonds in the principal amount of RMB1,541,341,938 to the First Vendor (or its nominee(s)) on the Completion Date; and
- (b) RMB814,071,452 payable to the Second Vendor shall be satisfied by the issuance of 1,790,956,291 Consideration Shares by CFE at the issue price of HK\$0.366 per CFE Share and Convertible Bonds in the principal amount of RMB256,904,950 by CFE to the Second Vendor (or its nominee(s)) on the Completion Date.

3.4 The Convertible Bonds to be issued by CFE pursuant to **Clauses 3.1 to 3.3** shall be subject to the terms and conditions as set out in **Schedule I** to this Agreement.

4. Conditions

4.1 Completion shall be conditional upon the following conditions being fulfilled (or waived by the Purchaser pursuant to **Clause 4.2**):

- (a) the passing of all necessary resolutions by the independent shareholders of CFE at a general meeting approving, among other things, the Proposed Acquisition, the issue of the Consideration Shares and Convertible Bonds, the proposed increase in authorized capital of CFE and the Whitewash Waiver pursuant to the requirements of the Takeovers Code and the Hong Kong Listing Rules;
- (b) the passing of all necessary resolutions by the independent shareholders of CIMC (or minority shareholders of CIMC, as the case may be) at a general meeting approving, among other things, the Proposed CIMC Restructuring (including the approval of the waiver of assured entitlement) pursuant to the requirements of the Shenzhen Listing Rules and the Hong Kong Listing Rules;
- (c) the obtaining of the Whitewash Waiver by CIMC (or its wholly-owned subsidiary) from the Executive;
- (d) the obtaining of the approval of the spin-off proposal by CIMC from the Stock Exchange pursuant to Practice Note 15 of the Hong Kong Listing Rules;

- (e) the listing of, and the permission to deal in, all the Consideration Shares to be issued by CFE as the consideration for the Proposed Acquisition and the Conversion Shares to be issued by CFE upon the exercise of the conversion rights in full under the Convertible Bonds under the Proposed Acquisition being granted by the Stock Exchange and not having been revoked;
 - (f) the representations and warranties given by each of the Vendors under this Agreement having remained true, accurate and not misleading in all material respects throughout the period from the date of this Agreement to the Completion Date;
 - (g) no events having occurred which caused, causes or may cause Material Adverse Effect on (i) the assets, business, operation or financial condition of the Target Group as a whole or (ii) the ability of the Vendors to perform or comply with their respective material obligations, undertakings or covenants under this Agreement; and
 - (h) there being no Applicable Laws, decrees of any court or decisions of any regulator (such as the Stock Exchange) which shall, or which shall reasonably be expected to, forbid, restrict or impose conditions or restrictions on completion of the transactions contemplated under this Agreement.
- 4.2 The Purchaser may waive any of the conditions set out in **Clause 4.1** (other than those set out in **Clauses 4.1(a), (b), (c), (d), (e), (g) and (h)**) at its absolute discretion at or before 12:00 noon (Hong Kong time) on the Long Stop Date.

5. REPRESENTATIONS, WARRANTIES, INDEMNITIES AND UNDERTAKINGS

- 5.1 Each of the Vendors hereby severally but not jointly represents and warrants to the Purchaser that all Warranties are true, accurate and not misleading as at the date of this Agreement and will continue to be true, accurate and not misleading in all material aspects up to and as at Completion. The Vendors acknowledge that the Purchaser is entering into this Agreement in reliance on the Warranties.
- 5.2 Each of the Vendors agrees that each sub-paragraph of the Warranties shall be separate, independent and shall be construed separately. Unless otherwise expressly provided under this Agreement, none of the Warranties shall be limited or restricted by reference to or inference from the terms of any other Warranties or any other term of this Agreement.
- 5.3 Each of the Vendors severally but not jointly undertakes to fully indemnify the Purchaser, its holding companies, subsidiaries, associated companies and any of their representatives, directors, officers and employees (together, the “**Indemnified Parties**”) and keep the Indemnified Parties indemnified (without restricting and without prejudice to any other rights and remedies of the Purchaser in any way) from and against any and all losses, damages or liabilities or any interest, reasonable cost or expense (including legal expense) suffered or incurred by the Indemnified Parties arising from the Warranties made by it not being true, complete and accurate in all material aspects, including but not limited to the reduction in the value of the Sale Shares arising from the reduction in any asset value of any member of the Target Group, any monies (including Tax) paid or required to be paid by any member of the Target Group, and any costs and expenses incurred which any member of the Target Group may at any time and from time to time sustain, incur or suffer as a result of or arising from any breach of any of the Warranties.

- 5.4 All the Warranties shall remain in full force and effect notwithstanding Completion.
- 5.5 The Purchaser shall have the right to claim against, any or both of the Vendors for breach of Warranties after Completion, and Completion shall not constitute a waiver on the Purchaser's part of any of its rights. No claim may be brought against any Vendor in respect of a breach of any of the Warranties after expiry of one (1) year after the Completion Date ("**Warranty Expiry Date**") and each of the Vendors shall be severally but not jointly liable in respect of a breach of any of the Warranties by such Vendor unless it shall have received written notice from the Purchaser prior to the Warranty Expiry Date giving reasonable details of the relevant claim and any such claim shall (if not previously satisfied, settled or withdrawn) be deemed to have been waived or withdrawn at the expiry of a period of three (3) months after the Warranty Expiry Date unless proceedings in respect thereof shall have already been commenced against any Vendor.
- 5.6 Each of the Vendors severally but not jointly warrants and undertakes to the Purchaser that where the Warranties are qualified as being "to the best knowledge of the Vendor" or any similar expression, the Warranties are deemed to have been made or given to the best of knowledge, information and belief of the Vendors after the Vendors have made all due and diligent enquiries. Where the Warranties are qualified as "in respect of the Second Vendor" or any similar expression, the Warranties are made or given by the Second Vendor only but not the First Vendor, and vice versa.
- 5.7 If after the signing of this Agreement and before Completion, it comes to the knowledge of a Vendor that any event shall occur or matter shall arise which results or may result in any of the Warranties being untrue, misleading or inaccurate in any material respect, such Vendor shall notify the Purchaser as soon as practicable in writing thereof prior to Completion.
- 5.8 In respect of any claims under the Agreement, including any claims for breach of any of the Warranties ("**Claim**"), the Vendors shall not be liable unless the amount of such claim itself or the aggregate amount of such claims for which the Vendors would, in the absence of this provision, be liable would exceed HK\$1,000,000 provided that, where the amount or the aggregate amount of one or more of such individual claims exceeds HK\$1,000,000, the liability shall be for the full amount of all such claims.
- 5.9 Each of the Vendors undertakes to take all reasonable steps to procure that necessary and appropriate management and other resources shall remain with the Target Group immediately after Completion to facilitate the continuity of the management of the business and operations of the Target Group in substantially the same manner as prior to Completion and with no Material Adverse Effect.

6. CONDUCT OF BUSINESS OF THE TARGET GROUP

- 6.1 Subject to **Clause 6.3**, each of the Vendors severally but not jointly undertakes that unless otherwise provided or permitted in this Agreement, it shall procure the business of the Target Group to be operated on a normal basis in the ordinary course of business from the date of this Agreement to the Completion Date.
- 6.2 Subject to directors' fiduciary duties and without prejudice to or limiting the generality of **Clause 6.1**, each of the Vendors severally but not jointly undertakes to the Purchaser that unless otherwise provided or permitted in this Agreement, it shall procure that any member of the Target Group shall not prior to Completion, without having first obtained from the Purchaser its prior written consent (which consent shall not be unreasonably withheld or delayed), conduct any of the following activities or pass any

directors' or shareholders' resolutions approving the conduct of any of the following activities:

- (1) any member of the Target Group issuing or agreeing to issue any share, warrant or other securities or debenture or loan capital, or granting or agreeing to grant any option or right to purchase or acquire the share capital or registered capital of any member of the Target Group;
- (2) undergoing any capitalization issue or capital reorganization;
- (3) doing, allowing or procuring any act or permitting any omission which leads to the winding up or bankruptcy of any member of the Target Group;
- (4) altering any rights attached to the Sale Shares or the shares of any member of the Target Group;
- (5) amending the Constitutional Documents of any member of the Target Group, or the passing of any resolutions which are inconsistent with this Agreement or the performance thereof;
- (6) doing, allowing or procuring any act or permitting any omission which would constitute a breach of any of the Warranties; and
- (7) carrying out any activities or actions which are likely to cause a Material Adverse Effect.

6.3 From the date of this Agreement until Completion, each of the Vendors shall, or shall procure and ensure that:

- (1) the Purchaser and its employees, representative advisors and authorized agents will be granted reasonable access to (during normal office hours) or as may be agreed by the parties hereto), the books and records of the Target Group and other relevant information about the Target Group including, without limitation, the statutory books, minute books, contracts, details of receivables and Tax records so that the Purchaser may review the business operations of the Target Group and to conduct and allow its advisor to conduct legal and financial due diligence in the Target Group, upon reasonable written request made by the Purchaser at least seven (7) Business Days in advance; and
- (2) each member of the Target Group shall take all commercially reasonable steps to preserve the goodwill of its business and shall do nothing which will or would be likely to materially injure such goodwill.

6.4 The Purchaser warrants to the Vendors that the Purchaser has full power and authority and has obtained all necessary approval, consents and authorization to enter into and exercise its rights and perform its obligations under this Agreement, and this Agreement, when executed, will constitute valid, binding and enforceable obligations on the Purchaser.

7. Completion

7.1 Subject to fulfilment of all the conditions set out in **Clause 4.1** or the effective waiver thereof in accordance with the terms of this Agreement, Completion shall take place at or before 4:00 p.m. (Hong Kong time) on the Completion Date at such place as shall be

agreed by the parties hereto when all of the business required under **Clause 7** shall be transacted.

7.2 At Completion, each of the Vendors shall deliver or cause to be delivered to the Purchaser:

- (1) valid transfer form in respect of the Sale Shares to be transferred in accordance with this Agreement duly executed by such Vendor in favor of the Purchaser or as it may direct accompanied by the respective share certificates (or an express indemnity in a form satisfactory to the Purchaser in the case of any certificate found to be missing) and the Stamp Duty Documents.
- (2) a copy (certified by a duly appointed officer as true and correct) of a resolution of the board and/or supervisory board (as necessary to provide valid authorization) of directors of such Vendors (or, if required by the law of its jurisdiction or its Constitutional Documents, of its shareholders) approving the sale of the Sale Shares to be transferred to the Purchaser in accordance with this Agreement and authorizing the execution and delivery of and the performance by the relevant Vendor of its obligations under this Agreement and all other documents and agreements ancillary or pursuant hereto or in connection herewith, and the execution hereof (where necessary) under the common seal or company chop of the relevant Vendor;
- (3) a copy (certified by a duly appointed officer as true and correct) of a resolution of the board and/or supervisory board (as necessary to provide valid authorization) of directors of the Target:
 - (i) approving the transfer of the Sale Shares to the Purchaser under this Agreement (subject to payment of all applicable stamp duty under the Stamp Duties Act (Chapter 312 of the Laws of Singapore));
 - (ii) approving all matters contemplated under the Proposed Acquisition;
 - (iii) approving the issue of a share certificate in respect of the Sale Shares in favor of the Purchaser;
 - (iv) approving the update of the relevant register of the Target maintained with the Singapore Accounting and Corporate Regulatory Authority as may be required to reflect the Purchaser as the holder of the Sale Shares; and
 - (v) if requested by the Purchaser, revoking the existing mandates given by the Target to its bankers and changing such mandates in favor of such persons as the Purchaser may nominate.

7.3 At Completion, the Vendors shall deliver or cause to be delivered to the Purchaser:

- (1) in respect of the Target, the certificate of incorporation, common seal (if it exists), share register or ledger and share certificate book (with any unissued share certificates, company chops, business registration certificate) and all minute books and other statutory books (which shall be written up to but not including Completion) or such equivalent items in the relevant jurisdiction as are kept by the Target or which the law of the jurisdiction of incorporation of the Target requires it to keep;

- (2) such waivers or consents as the Purchaser may reasonably require signed by members of the Target to enable the Purchaser to be registered in the register of members of the Target as a holder of any and all the Sale Sales;
- 7.4 Against compliance with the provisions of **Clauses 7.2 and 7.3**, at Completion, the Purchaser shall deliver (or ensure that there is delivered to each of the Vendors) a copy of a resolution (certified by a duly appointed officer as true and correct) of the board and/or supervisory board (as necessary to provide valid authorization) of directors of the Purchaser (or, if required by the law of its jurisdiction or Constitutional Documents, of its shareholders) authorizing the execution of and the performance by the relevant company of its obligations under this Agreement.
- 7.5 Against compliance with the provisions of **Clauses 7.2 and 7.3**, at Completion, CFE shall:
 - (1) duly allot and issue to each of the Vendors (or their respective nominees) such number of Consideration Shares as specified in **Clauses 3.1** in the manner as specified in **Clauses 3.2 and 3.3** and shall promptly register the Vendors and/or their respective nominees as members in respect of such Consideration Shares;
 - (2) deliver to the Vendor (or its nominee) the definitive certificates in respect of such Consideration Shares in favor of the Vendor (or its nominees);
 - (3) duly issue to each of the Vendors (or their respective nominees) such number of Convertible Bonds as specified in **Clauses 3.1** in the manner as specified in **Clauses 3.2 and 3.3** and shall promptly register the Vendors and/or their respective nominees as holders in respect of such Convertible Bonds; and
 - (4) deliver to each of the Vendors (or their respective nominees) the definitive certificates and bond instruments in respect of such Convertible Bonds in favor of the Vendors and/or their respective nominees.
- 7.6 No Party shall be obliged to perform any of its obligations under **Clauses 7.2, 7.3, 7.4 and 7.5** unless the other Party performs its obligations under such Clauses.
- 7.7 If the obligations under **Clauses 7.2 and 7.3** are not complied with by any Party on the Completion Date, the Purchaser (if any of the Vendors is a defaulting Party) or the Vendors (if the Purchaser is a defaulting Party) may, without prejudice to its or their (as the case may be) rights hereunder:
 - (1) defer Completion to a date falling within sixty (60) days after the original Completion Date specified under this Agreement (so that the provisions of this Clause shall apply mutatis mutandis to such deferred Completion Date); or
 - (2) proceed to Completion so far as practicable without prejudice to its or their (as the case may be) other rights hereunder; or
 - (3) serve a written notice to the Vendors (if any of the Vendors is a defaulting Party) or the Purchaser (if the Purchaser is a defaulting Party) to terminate this Agreement, in which case this Agreement shall lapse and be of no further effect (save that **Clauses 1, 8, 9, 12, 13 and 14** hereof shall continue to apply in full force and effect thereafter).

8. Costs

Subject as otherwise agreed by the relevant Parties in writing in respect of professional and other costs, each Party shall be responsible for its own professional and other costs (including all stamp duty, if any, payable in connection with the transfer of the Sale Shares from the Vendors to the Purchaser) in connection with this Agreement and the transactions contemplated thereunder.

9. Confidentiality

Each Party shall keep the existence and contents of this Agreement confidential, unless (i) required to disclose it by Applicable Laws (including, without limitation, the Hong Kong Listing Rules and the Shenzhen Listing Rules) and in such case, the disclosing Party shall as soon as practicable and to the extent permitted by law inform the other Parties of such disclosure; or (ii) all of the other Parties give their prior written consent to the disclosure.

10. Termination

10.1 This Agreement shall terminate under any of the following events:

- (a) by agreement in writing between the Parties;
- (b) in the event the conditions precedent for the Proposed Acquisition under **Clause 4** above are not fulfilled (or waived by the Purchaser pursuant to **Clause 4.2** above, as the case may be) on or before 12:00 noon on the Long Stop Date; or
- (c) pursuant to **Clause 7.7(3)** above.

10.2 Upon termination of this Agreement pursuant to **Clause 10.1** above, this Agreement shall be of no further effect, and no Party shall be under any liability to any other Parties in respect of this Agreement, and the Parties shall be released and discharged from their respective obligations hereunder, in each case without prejudice to any rights, obligations or liabilities which have accrued on or before the termination of this Agreement, save that **Clauses 1, 8, 9, 12, 13 and 14** hereof shall continue to apply in full force and effect thereafter.

11. Exclusivity

The Vendors undertake not to, and to procure their respective agents and advisors not to, during the period from the date of this Agreement to the Long Stop Date, discuss or negotiate with any other party or entity other than CFE and/or its agents and advisors regarding the transactions contemplated under this Agreement or similar transactions.

12. Notices and Process Agent

12.1 All notices, consents, waivers and other correspondences in connection with this Agreement shall be delivered to the addresses, e-mail addresses or facsimile numbers of the respective parties as specified below:

To the Purchaser

Address: Units A-B, 16/F, China Overseas Building, 139 Hennessy Road, Wanchai,
Hong Kong
Email: janet@chinafire.com.hk
Fax: (852) 2960 1166
Attention: Janet Li

To CFE

Address: Units A-B, 16/F, China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong
Email: janet@chinafire.com.hk
Fax: (852) 2960 1166
Attention: Janet Li

To the First Vendor

Address: CIMC R&D Center, No.2 Gangwan Avenue, Shekou Industrial Park, Nanshan District, Shenzhen, Guangdong Province, the PRC
Email: shareholder@cimc.com
Fax: (86 755) 2682 6579
Attention: Yu Yu Qun

To the Second Vendor

Address: Room 5, Block B, 14/F, Wa Hen Commercial Centre, 383 Hennessy Road, Wanchai, Hong Kong
Email: anne@jdtex.hk
Fax: (852) 3747 3632
Attention: Lee Zhi Hui

- 12.2 The Second Vendor irrevocably appoints Lee Zhi Hui (address: Room 5, Block B, 14/F, Wa Hen Commercial Centre, 383 Hennessy Road, Wanchai, Hong Kong marked for the attention of LEE Zhi Hui) as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong. Any such legal process shall be sufficiently served on it if delivered to such service agent.

13. Governing Law

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

14. General

- 14.1 This Agreement embodies all the terms and conditions agreed upon between the Parties as to the subject matter of this Agreement and supersedes all previous agreements, arrangements, declarations, understandings or transactions between the Parties hereto with respect to the subject matter hereof.
- 14.2 This Agreement may be signed in any number of counterparts, all of which taken together shall constitute one and the same instrument. Any Party may enter into this Agreement by signing any such counterpart.
- 14.3 No amendment to this Agreement will be effective unless it is in writing and signed by all the Parties. No consent or approval to be given pursuant to this Agreement will be effective unless it is in writing and signed by the relevant Party.
- 14.4 No delay or failure by a Party to exercise or enforce (in whole or in part) any right provided by this Agreement or by law shall operate as a release or waiver, or in any way limit that Party's ability to further exercise or enforce that, or any other, right. A waiver of any breach of any provision of this Agreement shall not be effective, or implied, unless that waiver is in writing and is signed by the Party against whom that waiver is claimed.

- 14.5 Should any provision of this Agreement be declared null and void by any competent government agency or court, this shall not affect the other provisions of this Agreement which are capable of severance and which shall continue unaffected.
- 14.6 A person who is not a party to this Agreement shall have no right under the Contract (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any of its terms.
- 14.7 No Party hereto shall be entitled to transfer or assign any of its rights or obligations under this Agreement unless with the written consent of the other Parties.

[SIGNATURE PAGES TO FOLLOW]

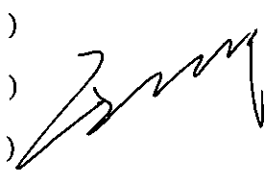
IN WITNESS WHEREOF this Agreement has been executed by the Parties on the day and year first above written.

First Vendor

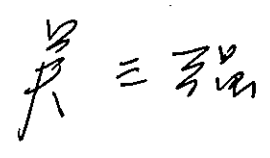
Signed by YU YU QUN)

for and on behalf of)

SHARP VISION HOLDINGS LIMITED)



in the presence of: WU SAN QIAN ()



Second Vendor

Signed by **ZHU WENYUAN**

) 朱文元

for and on behalf of

)

FENGQIANG HOLDING LIMITED

)

in the presence of: **LI ZHUFENG**

)

李竹峰

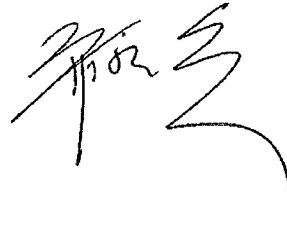
Purchaser

Signed by ZHENG ZU HUA)

for and on behalf of)

WANG SING TECHNOLOGY LIMITED)

in the presence of: LI CHING WAH)

A handwritten signature in black ink, appearing to be 'Zheng Zu Hua', written in a cursive style. The signature is positioned to the right of the text 'Signed by ZHENG ZU HUA'.A handwritten signature in black ink, appearing to be 'Li Ching Wah', written in a cursive style. The signature is positioned below the text 'in the presence of: LI CHING WAH'.

Signed by **ZHENG ZU HUA**)

for and on behalf of)

CHINA FIRE SAFETY ENTERPRISE)

GROUP LIMITED)

in the presence of: **LI CHING WAH**)

A handwritten signature in black ink, appearing to be 'Zheng Zu Hua', written in a cursive style.A handwritten signature in black ink, appearing to be 'Li Ching Wah', written in a cursive style.

Schedule I

Terms and Conditions of the Convertible Bonds

TERMS AND CONDITIONS OF THE BONDS

The following, subject to amendment, are the Terms and Conditions of the Bonds, substantially as they will appear on the reverse of each of the definitive certificates evidencing the Bonds:

The issue of up to RMB2,093,133,694 aggregate principal amount of the bonds (the “**Bonds**”) of China Fire Safety Enterprise Group Limited (the “**Issuer**”) was authorized by resolutions of the board of directors of the Issuer passed on December 4, 2017. The Issuer has executed a bond instrument by way of deed poll (the “**Instrument**”) constituting the Bonds. Unless otherwise defined, terms used in these terms and conditions of the Bonds (these “**Conditions**”) have the meanings specified in the Instrument. The statements in these Conditions include summaries of, and are subject to, the detailed provisions of the Instrument which include the form of certificate of the Bonds. Copy of the Instrument is available for inspection during normal office hours at the Designated Office. The Bondholders are entitled to the benefit of the Instrument and are bound by, and is deemed to have notice of, all the provisions of the Instrument.

DEFINITIONS

(i) In the Instrument, unless the context otherwise requires, capitalized terms used herein (including the Conditions) shall have the meanings ascribed to them as follows:

“**Bond Certificate**” means a certificate, substantially in the form set out in **SCHEDULE 1**, issued in the name of the holder of one or more Bonds;

“**Bondholder**” means a person whose name is for the time being entered in the Register of Bondholders as the holder of a Bond;

“**Bonds**” means the convertible bonds created and constituted by the Instrument and any deed poll supplemental thereto and issued with the benefit of, and subject to, the Conditions in registered form and a “**Bond**” means an integral part of the Bonds evidenced by a Bond Certificate issued in accordance with the provisions of the Instrument;

“**Book Closure Period**” has the meaning ascribed to it in **Condition 5.1(c)**;

“**Business Day**” means a day other than a Saturday or Sunday on which commercial banks are open for business in Hong Kong;

“**Closed Period**” has the meaning ascribed to it in **Condition 3.5**;

“**Conversion Date**” has the meaning ascribed to it in **Condition 5.3(b)**;

“**Conversion Notice**” means a conversion notice, substantially in the form set out in **SCHEDULE 2**, to be issued in accordance with **Condition 5.3(a)**;

“**Conversion Period**” has the meaning ascribed to it in **Condition 5.1(b)**;

“**Conversion Price**” means the price per Share at which Shares will be issued upon exercise of the Conversion Rights, such price initially being HK\$0.366 per Share, subject to adjustment in accordance with the Conditions;

“**Conversion Right**” has the meaning ascribed to it in **Condition 5.1(a)**;

“**Day Count Fraction**” has the meaning ascribed to it in **Condition 4.4**;

“**Default Rate**” means 10 per cent. per annum;

“**Designated Office**” means the Issuer’s office in Hong Kong at Unit A-B, 16/F, China Overseas Building, 139 Hennessy Road, Wan Chai, Hong Kong;

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

“**HK\$ Equivalent**” means, in respect of an amount in RMB, the HK\$ equivalent of such RMB determined using the agreed exchange rate of HK\$1.00:RMB0.85;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“**Interest Payment Date**” has the meaning given to it in **Condition 4.1(a)**;

“**Interest Record Date**” has the meaning ascribed to it in **Condition 6.1(b)**;

“**Issue Date**” means the date of the Instrument;

“**Listing Rules**” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited in force from time to time;

“**Maturity Date**” means the thirtieth anniversary of the Issue Date;

“**normal office hours**” means 9a.m. to 5p.m. on a Business Day;

“**outstanding**” means, in relation to the Bonds, all the Bonds issued except:

- (a) those which have been redeemed in accordance with the terms of the Instrument;
- (b) those in respect of which Conversion Rights have been exercised and discharged (and, for the avoidance of doubt, a Bond in respect of which a Conversion Date has occurred shall be deemed to remain outstanding until the Conversion Right has been satisfied and discharged even if the holder is removed from the Register of Bondholders during the conversion process);
- (c) those in respect of which the date for redemption has occurred and the redemption monies and all accrued default interest and premium (if any) have been duly paid to the relevant Bondholder(s);
- (d) those mutilated or defaced Bonds which have been surrendered and cancelled and in respect of which replacements have been issued pursuant to **Condition 12**;
- (e) (for the purpose only of determining how many Bonds are outstanding and without prejudice to their status for any other purpose) those Bonds alleged to have been lost, stolen or destroyed and in respect of which replacement Bonds have been issued pursuant to **Condition 12**;

provided that for the purpose of the determination of how many and which Bonds are for the time being outstanding for the purposes of **Condition 5.1**, those Bonds (if any) which are for the time being held by any Person (including but not limited to the Issuer or any of its Subsidiaries) for the benefit of the Issuer or any of its Subsidiaries shall (unless and until ceasing to be so held) be deemed not to remain outstanding;

“**Person**” means any individual, company, corporation, body corporate, firm, partnership, joint-stock company, joint venture, undertaking, association, organisation, trust, state or agency of a state (in each case whether or not being a separate legal entity);

“**PRC**” means the People’s Republic of China but excluding, for the purpose of the Instrument and the Bonds, Hong Kong, the Macau Special Administrative Region and Taiwan;

“**Rate of Interest**” means 0.1 per cent. per annum;

“**Redemption Amount**” of a Bond means such amount which is the HK\$ Equivalent of the outstanding principal amount in RMB of such Bond being redeemed;

“**Register of Bondholders**” has the meaning ascribed to it in **Condition 3.1**;

“**Registration Date**” has the meaning ascribed to it in **Condition 5.3(d)**;

“**RMB**” means Renminbi, the lawful currency of the PRC;

“**Shares**” means the ordinary shares of par value HK\$0.01 each in the capital of the Issuer (which include ordinary shares of the Issuer listed on the Stock Exchange or shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares, which as between themselves have no preference in respect of dividends or of amounts payable in the event of any voluntary or involuntary liquidation or dissolution of the Issuer);

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

“**Stock Exchange Business Day**” means any day (other than a Saturday or Sunday) on which the Stock Exchange is open for business of dealing in securities;

“**Subsidiary**” shall have the meaning as ascribed in Rule 1.01 of the Listing Rules;

“**Transfer Form**” means the transfer form, substantially in the form set out in **SCHEDULE 3**; and

- (ii) Headings used in the Instrument are for ease of reference only and shall be ignored in interpreting the Instrument.
- (iii) References to Clauses and Schedules are references to Clauses of, and Schedules to, the Instrument.
- (iv) Words and expressions in the singular include the plural and vice versa and words and expressions importing one gender include every gender.
- (v) Reference to “Person” or any other person includes its successors in title, permitted assigns and permitted transferees.
- (vi) References to a contract or document is to that contract or document as amended, novated, supplemented, restated or replaced from time to time.
- (vii) References to times of the day are, unless otherwise specified, to Hong Kong time.
- (viii) References to any ordinance, statute, legislation or enactment shall be construed as a reference to such ordinance, statute, legislation or enactment as may be extended, applied, amended or reenacted from time to time and for the time being in force.

- (ix) References in the Instrument to principal, premium and interest and other payments payable by the Issuer shall be deemed also to refer to any additional amounts which may be payable under **Condition 8** or any undertaking or covenant given in addition thereto or in substitution therefor pursuant to the Instrument.
- (x) Terms defined in the Conditions shall, unless otherwise defined herein, have the same meaning when used in the main body of the Instrument.

1. STATUS

The Bonds constitute direct, unsubordinated, unconditional and unsecured obligations of the Issuer and shall at all times rank *pari passu* and without any preference or priority among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by mandatory provisions of applicable laws, at all times rank at least equally with all of the Issuer's other present and future unsecured and unsubordinated obligations.

2. FORM, DENOMINATION AND TITLE

2.1 Form and Denomination. The Bonds are issued in registered form. A bond certificate (each a "**Bond Certificate**") will be issued to each Bondholder in respect of its registered holding of Bonds. Each Bond Certificate will be numbered serially with an identifying number which will be recorded on the relevant Bond Certificate and in the Register of Bondholders which the Issuer will keep.

2.2 Title. Title to the Bonds passes only by transfer and registration in the Register of Bondholders as described in **Condition 3**. The registered holder of any Bond will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it or any writing on, or the theft or loss of, the Bond Certificate issued in respect of it) and no Person will be liable for so treating such holder.

3. TRANSFERS OF BONDS; ISSUE OF BOND CERTIFICATES

3.1 Register of Bondholders. The Issuer will cause to be kept at its Designated Office a register on which shall be entered the names and addresses of the holders of the Bonds and the particulars of the Bonds held by them and of all transfers of the Bonds (the "**Register of Bondholders**"). Each Bondholder shall be entitled to receive only one Bond Certificate in respect of its entire holding of Bonds. The Bondholders and any Person authorized in writing by the Bondholders shall be at liberty, during normal office hours and upon prior written notice to the Issuer, to inspect and, at the costs of such Bondholder, take copies of the Register of Bondholders at the Designated Office. The Issuer shall promptly notify the Bondholders of any change in the Designated Office in accordance with **Condition 13**.

3.2 Transfers. Subject to **Conditions 3.5** and **3.6**, a Bond may be transferred by the delivery of the Bond Certificate issued in respect of that Bond, with the Transfer Form duly completed and signed by the holder or his attorney duly authorized in writing, to the Designated Office, together with such evidence as the Issuer may require to prove the authority of the individuals who have executed the Transfer Form; provided however, that a Bond may not be transferred to any connected person (as defined in the Listing Rules) without the prior written consent of the Issuer and unless in accordance with the Listing Rules. In the case of any transfer of a Bond, a new Bond Certificate will be issued to each of the

transferor and the transferee in respect of the relevant principal amount thereof. No transfer of a Bond will be valid unless and until entered on the Register of Bondholders.

3.3 Delivery of New Bond Certificates

(a) Each new Bond Certificate to be issued upon a transfer, exchange or conversion of Bonds shall, within seven (7) Business Days of receipt by the Issuer of the Bond Certificate evidencing the Bonds which are the subject of the transfer, exchange or conversion, be made available for collection at the Designated Office or, if so requested in writing to the Issuer or otherwise as set out in the Conversion Notice or the Transfer Form, be mailed by uninsured mail at the risk of the holder entitled to the Bonds (but free of charge to the Issuer and at the holder's expense) to the address specified in writing to the Issuer or in the relevant Conversion Notice or the Transfer Form.

(b) Where only part of the principal amount of the Bonds in respect of which a Bond Certificate is issued is to be redeemed or converted, a new Bond Certificate in respect of the Bonds not so redeemed or converted will, within seven (7) Business Days of delivery of the original Bond Certificate to the Issuer, be made available for collection at the Designated Office or, if so requested in writing to the Issuer, be mailed by uninsured mail at the risk of the holder entitled to the Bonds not so redeemed or converted (but free of charge to the Issuer and at the holder's expense) to the address of such holder appearing on the Register of Bondholders.

(c) The Issuer shall promptly update and make entries into the Register of Bondholders to reflect any transfer, redemption or conversion of any Bond made pursuant to these Conditions and shall provide copies of such updated Register of Bondholders upon written request by the Bondholders.

3.4 Formalities Free of Charge. Registration of a transfer of Bonds and the issuance of new Bond Certificates will be effected without charge by or on behalf of the Issuer, but only upon payment by the relevant holder in respect of any tax or other governmental charges which may be imposed in relation to such transfer.

3.5 Closed Periods. No Bondholder may require the transfer of a Bond to be registered (a) during the period of ten days ending on (and including) the dates for payment of any principal pursuant to the Conditions; (b) after a Conversion Notice has been delivered by such Bondholder with respect to a Bond; and (c) during the period of five days ending on (and including) any Interest Record Date. Each such period in the immediately preceding sentence is a "**Closed Period**".

3.6 Maximum Number of Bondholders. Notwithstanding anything to the contrary herein, no Bondholder may require a transfer of a Bond if as a result of the transfer more than five (5) Bondholders will be holding the Bonds.

4. INTEREST

4.1 Interest Commencement and Rate.

(a) The Bonds bear interest (calculated in accordance with **Condition 4.1(b)** below) from and including the Issue Date at the Rate of Interest payable annually in arrears on each anniversary of the Issue Date (each, an "**Interest Payment Date**"). If any Interest Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day which is a Business Day unless it would thereby fall into the next

calendar month, in which case the Interest Payment Date will be brought forward to the previous Business Day.

(b) Interest payable by the Issuer to any Bondholder in accordance with **Condition 4.1(a)** in respect of a Bond shall be the amount in HK\$ calculated by applying the Rate of Interest to the outstanding principal amount of such Bond at the HK\$ Equivalent.

4.2 Cessation of Interest Accrual. Unless otherwise provided for in these Conditions, each Bond will cease to bear interest (a) subject to **Conditions 5.2(c)** and **5.3(d)** where the Conversion Right attached to it shall have been exercised by a Bondholder, from and including the relevant Registration Date; and (b) where such Bond is redeemed, from the due date for redemption or repayment thereof unless, upon due presentation, payment of the full amount due is improperly withheld or refused or default is otherwise made in respect of any such payment.

4.3 Principal Amount Not Paid on Due Date. If, upon due presentation of any Bond Certificate in respect of any Bond on the due date for redemption or repayment, payment of principal is improperly withheld or refused, such Bond will continue to bear interest at the Rate of Interest (both before and after judgment) until the day on which all sums due in respect of such Bond up to that day are received by or on behalf of the relevant Bondholder.

4.4 Interest Amounts. If interest is required to be paid in respect of a Bond on any other date than the Interest Payment Date or on an Interest Payment Date but in respect of a period which does not commence on an earlier Interest Payment Date, the interest in respect of a Bond shall be the amount calculated by applying the Rate of Interest to the outstanding principal amount of such Bond, multiplying the product by the relevant Day Count Fraction and rounding the resulting figure to the nearest cent (half a cent being rounded upwards), where “**Day Count Fraction**” means, in respect of any period, the number of days in the relevant period divided by 365.

5. CONVERSION

5.1 Optional Conversion

(a) Subject as hereinafter provided, any Bondholder shall have the right to convert all or part of the Bonds held by it (if in part, the principal amount of Bonds to be converted shall be in the minimum amount of RMB10,000,000 or the whole outstanding principal amount of the Bonds) into Shares credited as fully paid at any time during the Conversion Period referred to below. The right of a Bondholder to convert any Bond into Shares is called the “**Conversion Right**”.

(b) Subject to and upon compliance with the provisions of these Conditions, the Conversion Right attaching to any Bond may be exercised, at the option of the holder thereof, at any time on or after the Issue Date up to the close of business at the Designated Office on the Maturity Date (but, except as provided in **Condition 5.2(c)**, in no event thereafter) (the “**Conversion Period**”).

(c) Notwithstanding the foregoing, if the Conversion Date in respect of a Bond would otherwise fall during a period in which the register of shareholders of the Issuer is closed generally or for the purpose of establishing entitlement to any distribution or other rights attaching to the Shares (a “**Book Closure Period**”), such Conversion Date shall be postponed to the first Stock Exchange Business Day following the expiry of such Book Closure Period.

(d) If the Conversion Date in respect of the exercise of any Conversion Right is postponed as a result of the foregoing provision to a date that falls after the expiry of the Conversion Period or after the relevant redemption date, such Conversion Date shall be deemed to be the final day of such Conversion Period or the relevant redemption date, as the case may be.

(e) A Bondholder shall not be entitled to exercise the right to convert all or part of the Bonds held by it if immediately after such conversion, the public float of the Shares will fall below the minimum public float under the Listing Rules or as required by the Stock Exchange or (unless otherwise agreed in writing by the Issuer) if a mandatory offer obligation under Rule 26.1 of the Code on Takeovers and Mergers will be triggered.

5.2 General

(a) The number of Shares to be issued on conversion of a Bond will be determined by dividing the HK\$ Equivalent of the principal amount of the Bond to be converted by the Conversion Price in effect on the Conversion Date. A Conversion Right may be exercised in respect of one or more Bonds and may be exercised in whole or in part. If more than one Bond held by the same holder is converted at any one time by the same holder, the number of Shares to be issued upon such conversion will be calculated on the basis of aggregate principal amount of the Bonds to be converted.

(b) Fractions of Shares will not be issued on conversion and no cash adjustments will be made in respect thereof. However, if the Conversion Right in respect of more than one Bond is exercised at any one time such that the Shares to be issued on conversion are to be registered in the same name, the number of such Shares to be issued in respect thereof shall be calculated on the basis of the aggregate principal amount of such Bonds being so converted and rounded down to the nearest whole number of Shares. Notwithstanding the foregoing, in the event of a consolidation or re-classification of Shares by operation of law or otherwise occurring after the Issue Date which reduces the number of Shares outstanding, the Issuer will upon conversion of Bonds pay to the converting Bondholder a sum equal to such portion of the principal amount of the Bond or Bonds evidenced by the Bond Certificate deposited by the Bondholder in connection with the exercise of Conversion Rights, aggregated as provided in **Condition 5.2(a)**, as corresponds to any fraction of a Share not issued as a result of such consolidation or re-classification aforesaid if such sum exceeds HK\$100.00. Any such sum shall be due and payable on the date the Shares are delivered pursuant to **Condition 5.3(d)**.

(c) Notwithstanding the provisions of **Condition 5.1**, if: (i) the Issuer shall default in making payment in full in respect of any Bond which shall have been called or put for redemption on the date fixed for redemption thereof; or (ii) any Bond is not redeemed on the Maturity Date in accordance with **Condition 7.1** or the applicable date for redemption in accordance with **Condition 7.2** or **7.3**, the Conversion Right attaching to such Bond will revive and/or will continue to be exercisable up to, and including, the close of business at the Designated Office on the date upon which the full amount of the moneys payable in respect of such Bond has been duly received by the Bondholder and, notwithstanding the provisions of **Condition 5.1**, any Bond in respect of which the Bond Certificate and Conversion Notice are deposited for conversion prior to such date shall be converted on the relevant Conversion Date notwithstanding that the full amount of the moneys payable in respect of such Bond shall have been received by the Bondholder before such Conversion Date or that the Conversion Period may have expired before such Conversion Date.

5.3 Conversion Procedure

(a) *Conversion Procedure:* To exercise the Conversion Right attaching to any Bond, the converting Bondholder must complete, execute and deposit at his own expense between 9:00 a.m. and 3:00 p.m. (Hong Kong time) on any Business Day falling at least one Business Day prior to the Conversion Date at the Designated Office a Conversion Notice and confirmation that any amounts required to be paid by such Bondholder under these Conditions have been paid, together with the relevant Bond Certificate, or if notice requiring redemption has been given by the holder of such Bond pursuant to **Condition 7.2** or **7.3**, then up to the close of business at the Designated Office on the day prior to the giving of such notice.

(b) *Conversion Date:* The conversion date in respect of a Bond (the “**Conversion Date**”) must fall at a time when the Conversion Right attaching to that Bond is expressed in these Conditions to be exercisable (subject to the provisions of **Condition 5.2(c)**) and will be deemed to be the Stock Exchange Business Day immediately following the date of the surrender of the Bond Certificate in respect of such Bond and, if applicable, the delivery of such Conversion Notice and any payment to be made under these Conditions in connection with the exercise of such Conversion Right. A Conversion Notice deposited outside the hours specified above or on a day which is not a Business Day shall for all purposes be deemed to have been deposited with the Issuer during the hours specified above on the next Business Day following that day. The Bondholder who deposits a Conversion Notice during a Closed Period shall not be permitted to convert the Bonds into Shares (as specified in the Conversion Notice) until the next Business Day after the end of the Closed Period, which (if all other conditions to the conversion have been fulfilled) will be the Conversion Date for such Bonds provided that such date did not fall outside the Conversion Period. A Conversion Notice once delivered shall be irrevocable and may not be withdrawn unless the Issuer consents in writing to such withdrawal.

(c) *Stamp Duty etc.:* The Bondholder delivering a Bond Certificate in respect of a Bond for conversion must pay directly to the relevant authorities: (i) any taxes and capital, stamp, issue, documentary and registration duties arising on conversion (other than any taxes or capital or stamp duties payable in the Cayman Islands and Hong Kong by the Issuer in respect of the allotment and issue of Shares and listing of the Shares on the Stock Exchange on conversion) and (ii) all, if any, taxes arising by reference to any disposal or deemed disposal of a Bond in connection with such conversion. The Issuer shall pay all other expenses arising on the issue of Shares on conversion of Bonds. Such Bondholder must declare in the relevant Conversion Notice that any taxes payable to the relevant tax authorities pursuant to this Condition have been paid.

(d) *Registration:* As soon as practicable, and in any event not later than seven (7) Stock Exchange Business Days after the Conversion Date, the Issuer shall, in the case of Bonds converted on exercise of the Conversion Right and in respect of which the relevant Bond Certificate has been delivered and the amounts payable by such Bondholder as required under these Conditions have been paid, register the person or persons designated for the purpose in the Conversion Notice in the Issuer’s share register in Hong Kong and will make such certificate or certificates available for collection at the Issuer’s share registrar in Hong Kong.

If the Conversion Date in relation to any Bond shall be after the record date for any event as gives rise to the adjustment of the Conversion Price pursuant to **Condition 5.4**, but before the relevant adjustment becomes effective under the relevant provision, upon the relevant adjustment becoming effective the Issuer shall procure the issue to the converting Bondholder (or in accordance with the instructions contained in the Conversion Notice (subject to applicable exchange control or other laws and regulations)), such additional number of Shares as, together with the Shares issued or to be issued on conversion of the relevant Bond, is equal to the number of Shares which would have been required to be issued on conversion of such

Bond if the relevant adjustment to the Conversion Price had been made and become effective immediately after the relevant record date (as calculated by the Issuer in accordance with these Conditions).

The person or persons designated in the Conversion Notice will become the holder(s) of record of the number of Shares issuable upon conversion with effect from the date he is or they are registered as such in the Issuer's register of members (the "**Registration Date**"). The Shares issued upon conversion of the Bonds will in all respects rank *pari passu* with the Shares in issue on the relevant Registration Date. Save as set out in these Conditions, a holder of Shares issued on conversion of Bonds shall not be entitled to any rights the record date for which precedes the relevant Registration Date.

(e) *No Issuance of Shares in breach of Listing Rules*: The Issuer is not obliged to issue Shares in satisfaction of the Conversion Right in breach of its obligations under the Listing Rules.

5.4 Adjustments to Conversion Price.

If and whenever there shall be an alteration to the nominal value of the Shares as a result of consolidation, subdivision or reclassification, the Conversion Price shall be adjusted by multiplying the Conversion Price in force immediately before such alteration by the following fraction:

$$\frac{A}{B}$$

where:

A is the nominal amount of one Share immediately after such alteration; and

B is the nominal amount of one Share immediately before such alteration.

Such adjustment shall become effective on the date the alteration takes effect.

5.5 On any adjustment, the relevant Conversion Price, if not an integral multiple of one-tenth of a Hong Kong cent, shall be rounded down to the nearest one-tenth of a Hong Kong cent. No adjustment shall be made to the Conversion Price where such adjustment (rounded down, if applicable) would be less than one (1) per cent. of the Conversion Price then in effect. Any adjustment not required to be made, and any amount by which the Conversion Price has not been rounded down, shall be carried forward and taken into account in any subsequent adjustment. Notice of any adjustment shall be given to the Bondholders (in accordance with **Condition 13**) as soon as practicable after the determination thereof.

5.6 The Conversion Price may not be reduced so that, on conversion of Bonds, Shares would fall to be issued at a discount to their nominal value or would require Shares to be issued in any other circumstances not permitted by applicable law.

6. PAYMENTS

6.1 Principal, Premium, Interest and Additional Interest

(a) Payment of principal, premium, interest (including any default interest) and all other amounts payable under the Bonds shall be made by transfer to the registered accounts of the Bondholders or by cross cheques payable to the Bondholders mailed to the registered addresses of the respective Bondholders if such Bondholders do not have a registered account. Payment of principal and premium will only be made after surrender of the relevant Bond Certificate at the Designated Office.

(b) Interest on Bonds due on an Interest Payment Date or such other due date will be paid on the due date for the payment of interest to the holder(s) shown on the Register of Bondholders at the close of business on the second Business Day before the due date for the payment of interest (the “**Interest Record Date**”).

(c) In the event that any Bondholder is converting all and not part of the Bonds under **Condition 5.1**, the Issuer shall, on the Registration Date and in accordance with **Condition 6**, pay all interest accrued on the Bonds up to (but excluding) the Registration Date and all other accrued and unpaid interest and other amounts outstanding under the Bonds.

(d) When making payments to the Bondholders, fractions of one HK\$ cent will be rounded down to the nearest HK\$ cent.

6.2 Registered Accounts

For the purposes of this **Condition 6**, a Bondholder's registered account means the HK\$ account maintained by or on behalf of it with a bank in Hong Kong (or such other HK\$ account as such Bondholder may notify to the Issuer from time to time), details of which appear on the Register of Bondholders at the close of business on the second Business Day before the due date for payment, and a Bondholder's registered address means its address appearing on the Register of Bondholders at that time.

6.3 Fiscal Laws

All payments are subject in all cases to any applicable laws and regulations in the place of payment, but without prejudice to the provisions of **Condition 8**. No commissions or expenses shall be charged to the Bondholders in respect of such payments.

6.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value on the due date or, if that is not a Business Day, for value on the first following day which is a Business Day) will be initiated and, where payment is to be made by cheque, the cheque (for value on the due date) will be mailed (at the risk and, if mailed at the request of the holder otherwise than by ordinary mail, expense of the holder) on the date prior to the due date for payment (or, if it is not a Business Day, the immediately following Business Day) or, in the case of a payment of principal, if later, on the Business Day on which the relevant Bond Certificate is surrendered at the Designated Office.

6.5 Default Interest and Delay in Payment

(a) If the Issuer fails to pay any sum when the same becomes due and payable under these Conditions, interest shall accrue on the overdue sum at the Default Rate from the due date and ending on the date on which full payment on such sum is made to the relevant Bondholder in accordance with the Conditions. Such default interest shall accrue on the basis of the actual number of days elapsed and a 365-day year.

(b) Any Bondholder will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due if such delay is caused solely because the due date is not a Business Day, if such Bondholder is late in surrendering its Bond Certificate (if required to do so) or if a cheque mailed in accordance with this Condition arrives after the due date for payment.

(c) If an amount which is due on the Bonds is not paid in full, the Issuer will annotate the Register of Bondholders with a record of the amount (if any) in fact paid.

(d) Notwithstanding anything herein to the contrary, any partial payment of outstanding interest by the Issuer shall satisfy the obligations of the Issuer under **Condition 4.1(a)** in inverse chronological order.

7. REDEMPTION AND CANCELLATION

7.1 Maturity

Unless otherwise converted or purchased and cancelled as provided herein, the Issuer will redeem each Bond at the Redemption Amount on the Maturity Date.

7.2 Cancellation

All Bonds which are purchased, redeemed or converted by the Issuer or any of its Subsidiaries, will forthwith be cancelled and such Bonds may not be reissued or resold.

7.3 Redemption Notices and Multiple Notices

If more than one notice of redemption is given, the first in time shall prevail.

8. SET-OFF AND TAXES

8.1 Set-Off

All payments made by the Issuer under the Bonds shall be made in full without set-off or counterclaim whatsoever.

9. MEETINGS OF THE BONDHOLDERS

Bondholders may convene meetings to consider any matter affecting their interests, including the sanctioning by extraordinary resolution of a modification of the Bonds. The quorum at any such meeting for passing an extraordinary resolution will be one or more persons holding or representing over 50 per cent. in principal amount of the Bonds for the time being outstanding or, at any adjourned such meeting, two or more persons being or representing Bondholders whatever the principal amount of the Bonds so held or represented unless the business of such meeting includes consideration of proposals, inter alia, (a) to modify the due date for any payment in respect of the Bonds, (b) to reduce or cancel the amount of principal amount in respect of the Bonds, (c) to change the currency of payment of the Bonds, or (d) to modify or cancel the Conversion Rights specified in **Condition 5** or (e) to modify the provisions concerning the quorum required at any meeting of the Bondholders or the majority required to pass an extraordinary resolution, in which case the necessary quorum for passing an extraordinary resolution will be one or more persons holding or representing not less than 75 per cent., or at any adjourned such meeting not less than 25 per cent., in principal amount of the Bonds for the time being outstanding. An extraordinary resolution passed at any meeting of Bondholders will be binding on all Bondholders, whether or not they are present at the meeting. A written resolution signed by or on behalf of the holders of not

less than 90 per cent. of the aggregate principal amount of Bonds outstanding shall be as valid and effective as a duly passed extraordinary resolution.

10. MODIFICATION AND WAIVER

10.1 Modification

The provisions of these Conditions and the rights of the Bondholders may from time to time be modified, abrogated or compromised as agreed by the Bondholders.

10.2 Form of Modification

Any modification to the terms of the Bonds shall be effected by way of deed poll executed by the Issuer. A copy of such deed poll will be sent by the Issuer to the Bondholders in accordance with **Condition 13** as soon as practicable thereafter.

10.3 Waiver

No failure to exercise, nor any delay in exercising, on the part of any Bondholder, any right or remedy under these Conditions shall operate as a waiver, nor shall any single or partial exercise of any right or remedy prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies herein are cumulative and not exclusive or any rights or remedies provided by law.

11. VOTING AND OTHER RIGHTS

No Bondholder will be entitled to receive notice of or attend or vote at general meetings of the Issuer as a shareholder by reason only of being the holders of a Bond. No Bondholder will be entitled to participate in any distribution and/or offers of further securities made by the Issuer to a shareholder by reason only of being the holder of the Bonds.

12. REPLACEMENT OF BOND CERTIFICATES

If any Bond Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the Designated Office upon payment by the claimant of such costs as may be incurred in connection therewith and on such terms as to evidence and indemnity as the Issuer may reasonably require. Mutilated or defaced Bond Certificates must be surrendered before replacements will be issued.

13. NOTICES

All notices to the Bondholders shall be validly given if mailed by registered post to them at the addresses specified in the Register of Bondholders. Any such notice shall be deemed to have been given on the date of actual receipt by the relevant Bondholder or his representatives as evidenced by signing on the receipt of the registered post.

14. GOVERNING LAW AND JURISDICTION

14.1 The Bonds and the Instrument, as to which time shall be of the essence, are governed by and shall be construed in accordance with the laws of Hong Kong.

14.2 For the benefit of the Bondholders, the Issuer agrees that the courts of Hong Kong have exclusive jurisdiction to settle any disputes which may arise out of or in

connection with the Instrument or any Bond and accordingly submit to the exclusive jurisdiction of the courts of Hong Kong.

SCHEDULE 1

SCHEDULE 2

SCHEDULE 3

Schedule II

Warranties

Each of the Vendors hereby severally but not jointly represents and warrants to the Purchaser that:

1. GENERAL

- 1.1 It has delivered to the Purchaser adequate records of matters that are required to be recorded in accordance with all Applicable Laws and prudent business practices as well as the relevant information that gives a true and fair view of the daily transactions, assets, liabilities and business of the Target. All information relating to the Target provided by it to the Purchaser or their representatives and advisers is true, accurate and not misleading and does not contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein not misleading.
- 1.2 There are no other facts or matters which might reasonably be expected to have a Material Adverse Effect on the financial condition, business operations, trading position, assets, liabilities (including contingent liabilities), real property interests of the Target Group.
- 1.3 (a) The Constitutional Documents provided to the Purchaser are true and accurate copies of the Constitutional Documents of the relevant members of Target Group and, to the best of the Vendors' knowledge, information and belief, there have not been and are not any breaches by the members of the Target Group of their respective Constitutional Documents which would have a Material Adverse Effect on the business of the Target Group.
- (b) The registers, statutory books, books of account and other records of whatsoever kind of the Target Group which are required to be maintained under Applicable Laws:
- (i) are up-to-date;
 - (ii) are maintained in accordance with Applicable Laws on a proper and consistent basis; and
 - (iii) contain complete and accurate records of all matters required to be dealt with in such books and records;
- in each case in all material respects.
- (c) All registers, books and records referred to in **paragraph 1.3(b)** and all other documents (including documents of title and copies of all subsisting agreements to which the Target is a party) which are the property of the Target Group or ought to be in its possession are in the possession (or under the control) of the Target Group and no notice or allegation that any of such books and records is incorrect or should be rectified has been received.
- (d) All accounts, documents and returns required by law to be delivered or made to any Governmental Authority have been duly delivered or made in accordance with Applicable Laws.

2. INCORPORATION

- 2.1 The Target: (a) is a legal entity duly incorporated and validly in existence under the laws of its jurisdiction of incorporation; and (b) has all requisite corporate or similar power and

authority to own, operate and lease its assets and to carry on its principal business as currently conducted.

3. TARGET AND SALE SHARES

- 3.1 (In respect of the First Vendor only) The First Sale Shares, and (in respect of the Second Vendor only) the Second Sale Shares have been duly authorized, properly and validly allotted and issued and are fully paid up.
- 3.2 (In respect of the First Vendor only) The First Vendor beneficially and legally owns the First Sale Shares, together with all rights and advantages attaching thereto including the right to receive all distributions and dividends declared, paid or made in respect of the First Sale Shares, and the First Sale Shares are not subject to any Encumbrances.
- 3.3 (In respect of the Second Vendor only) The Second Vendor beneficially and legally owns the Second Sale Shares, together with all rights and advantages attaching thereto including the right to receive all distributions and dividends declared, paid or made in respect of the Second Sale Shares, and the Second Sale Shares are not subject to any Encumbrances.
- 3.4 It is entitled to transfer, or procure the transfer of, the full ownership of its respective Sale Shares to the Purchaser on the terms set out in this Agreement.
- 3.5 (In respect of the First Vendor only) the First Sale Shares comprise approximately 78.15% of the issued share capital of the Target. (In respect of the Second Vendor only). The Second Sale Shares comprise approximately 21.26% of the issued share capital of the Target.
- 3.6 There are no outstanding options, warrants, convertible securities or other rights (including preemptive rights) or agreements outstanding which call for the issue of or accord to any person the right to call for the issue of any shares in the capital of the Target or the right to require the creation of any Encumbrance over the shares or capital in, or any of the assets or businesses of, the Target and there is no agreement or commitment to give or create any of the foregoing.

4. AUTHORIZATION AND BINDING OBLIGATIONS

- 4.1 It has all necessary corporate or similar power and authority to make, execute and deliver this Agreement and to perform all of its obligations to be performed hereunder and thereunder and to consummate the Proposed Acquisition. The execution, delivery and performance and the consummation of the Proposed Acquisition by it has been duly and validly authorized by all necessary corporate action. This Agreement will constitute its legal, valid and binding obligation and enforceable against it in accordance with its terms.
- 4.2 Its execution and delivery of this Agreement, and the performance and completion of the Proposed Acquisition: (a) will not infringe any applicable laws or regulations; (b) will not result in any breach of the terms of, or constitute a default under, its Constitutional Documents and business license (as applicable) or any instrument, agreement or governmental, regulatory or other judgment, decree or order to which it is a party or by which it or its property is bound; and (c) will not conflict with any of its certificates, licenses or permits that enable it to carry on the business or operations now operated by it.

5. LITIGATION

- 5.1 There is no litigation pending against any member of the Target Group, in each case that individually or in the aggregate would reasonably be expected to have a Material Adverse Effect on the operations of the Target Group. There are no judgments, injunctions, writs,

orders or decrees binding upon any member of the Target Group that individually or in the aggregate would reasonably be expected to have a Material Adverse Effect on the Target Group.

5.2 It is not aware of any circumstances which are likely to give rise to any such proceeding, investigation or inquiry as is referred to in **paragraph 5.1** above.

6. FINANCIAL STATEMENTS

6.1 The Accounts have been derived from the accounting books and records of the Target and have been prepared in accordance with Applicable Laws and in accordance with the accounting principles, standards and practices generally accepted at the Accounts Date in the relevant jurisdiction.

6.2 The Accounts give a true and fair view of the state of affairs and of the profit and cash flows of the Target as at, and for the period ended on the Accounts Date, in each case in accordance with applicable law and in accordance with the accounting principles, standards and practices generally accepted at the Accounts Date in the relevant jurisdiction.

6.3 The books of account and other financial records (including the statutory accounts) of members of the Target Group have been maintained in all material respects in accordance with good business and accounting practices and the Applicable Laws and regulations of the relevant jurisdictions applicable to the Target Group.

6.4 Without limiting the generality of **paragraph 6.1**:

- (a) the Accounts of the Target either make full provision for or disclose all liabilities (whether actual, contingent or disputed and including financial lease commitments and pension liabilities), all outstanding capital commitments and all bad or doubtful debts of the Target as at the Accounts Date, in each case in accordance with applicable accounting principles;
- (b) the Accounts of the Target for each of the periods ended on the Accounts Date were prepared under the historical convention, complied with the requirements of all relevant laws and regulations then in force and with all statements of standard accounting practice (or financial reporting standards) and applicable accounting principles then in force;
- (c) the rate of depreciation adopted by the Target in its Accounts for the 12-month period ended on the Accounts Date was sufficient for each of the fixed assets of the Target to be written down to nil by the end of its useful life;
- (d) except as stated in its Accounts, no changes in the accounting policies were made by the Target in the 12-month period ended on the Accounts Date;
- (e) the results shown by the Accounts of the Target for the 12-month period ended on the Accounts Dates were not (except as therein disclosed) affected by any extraordinary or exceptional item or by any other factor rendering such results for all or any of such periods unusually high or low.

7. POSITION SINCE THE ACCOUNTS DATE

7.1 Since the Accounts Date and compared to the Accounts, there has been no Material Adverse Effect on the financial condition, business operations, trading position, assets, liabilities (including contingent liabilities), real property interests of the Target Group.

8. MATERIAL CONTRACTS AND ASSETS

- 8.1 True and complete copies of each joint venture agreement or shareholders' agreement applicable to the Target have been provided to the Purchaser.
- 8.2 The execution and delivery of, and the performance of its obligations under this Agreement will not, result in any other person having a right to terminate or amend any material agreement with or material rights of the Target or trigger any other change of control right or pre-emption right exercisable by any other third party.
- 8.3 All assets used by the Target Group in the course of its business or which are necessary for the continuation of its business as it is now carried (other than assets disposed in the ordinary course of business or which are the subject matter of operating or finance or capital leases) are either:
- (a) legally and beneficially owned by the Target Group, free from any Third Party Rights (other than retention of title claims or liens arising in the ordinary course of business); or
 - (b) where capable of possession, in the possession or under the control of the Target Group for its use through legitimate means.
- 8.4 The Target Group has good and marketable title to all real properties owned by it that is material to its business, in each case free and clear of any Encumbrances.
- 8.5 The Target Group has obtained insurance policies in respect of its assets, business, employees and operations that are in-line with the usual practice of the industry in which it operates in, in each case, in the jurisdictions applicable to the Target Group.
- 8.6 There are no material claims or actions outstanding, pending or anticipated or threatened against the Target Group in respect of any of its insurance policies.

9. REGULATORY MATTERS

- 9.1 The Target Group has obtained all licenses, permissions, authorizations and consents required for carrying on its principal business effectively in the places and in the manner in which such business is now carried on, except where it will not have any Material Adverse Effect on the Target Group.
- 9.2 The licenses, permissions, authorizations and consents referred to in **paragraph 9.1** are in full force and effect, not expired or subject to any unusual or onerous conditions and have been complied with in all respects.
- 9.3 To its best knowledge, there are no circumstances which indicate that any of the licenses, permissions, authorizations or consents referred to in **paragraph 9.1** will or are likely to be revoked or not renewed, in whole or in part, whether as a result of the acquisition of the Sale Shares by the Purchaser or for any other reason.
- 9.4 The Target Group has conducted its business and corporate affairs in accordance with its business license and with all applicable laws and regulations, except where it will not have any Material Adverse Effect on the Target.
- 9.5 The Target Group has not received notification that any investigation or inquiry is being or has been conducted by any Governmental Authority in respect of the affairs of the Target Group.

9.6 The Target Group has not committed and is not liable for any criminal, illegal, unlawful or unauthorized act or breach of any obligation or duty whether imposed by or pursuant to statute or a Governmental Authority, and no claim that it has or remains outstanding against any members of the Target Group, except where it will not have any Material Adverse Effect on the Target Group.

10. TAXES

10.1 The Target Group has complied with all statutory provisions, rules, regulations, orders and directions concerning profits or corporate Tax, value-added Tax, land value-added Tax, business Tax, stamp duty and all other Tax in their respective jurisdictions, except where it will not have any Material Adverse Effect on the Target.

10.2 The Target Group has duly, within appropriate time limits, made all returns and supplied information required to be supplied to the relevant tax authorities. Such information was when provided complete and accurate and was made on a proper basis, except where it will not have any Material Adverse Effect on the Target Group.

10.3 The Target Group has not been subject to any penalty by any Tax authority and has not been and is not involved in any dispute or investigation with any Tax authority.

10.4 The Target Group has not been a party to or otherwise involved in any transaction, agreement or arrangement which is not or was not on an arms' length basis, except where it will not have any Material Adverse Effect on the Target.

10.5 All documents which are required to be stamped or are subject to a registration or transfer Tax and which are in the possession of the Target or by virtue of which the Target has any right, have been duly stamped or such registration or transfer Tax has been paid in respect of such documents, except where it will not have any Material Adverse Effect on the Target.

11. INSOLVENCY

11.1 No order has been made, petition presented or meeting convened for the purpose of considering a resolution for the winding up of the Target or for the appointment of any provisional liquidator. No petition has been presented for an administration order to be made in relation to the Target, and no receiver (including any administrative receiver) has been appointed in respect of the whole or any part of any of the property, assets and/or undertaking of the Target.

11.2 No composition in satisfaction of the debts of the Target, or scheme of arrangement of its affairs, or compromise or arrangement between it and its creditors and/or members or any class of its creditors and/or members, has been proposed, sanctioned or approved.

11.3 No distress, distraint, charging order, garnishee order, execution or other process has been levied or applied for in respect of the whole or any part of any of the property, assets and/or undertaking of the Target Group, except where it will not have any Material Adverse Effect on the Target.

11.4 The Target Group is not insolvent or unable to pay its debts, including its future and prospective debts.

12. EMPLOYEES

12.1 There are no outstanding claims or liabilities or obligations owing to any current or former employees of the Target Group and no such claims liabilities or obligations have been

threatened by any current or former employees of the Target Group, except where it will not have any Material Adverse Effect on the Target Group.

- 12.2 The Target Group has complied with all applicable employment, pension (including, where relevant, mandatory provident fund) and social security Laws, except where it will not have any Material Adverse Effect on the Target Group.
- 12.3 The Target Group has complied with the provisions of any agreement or arrangement with any trade union, works council, staff association or other body representing any of its employees and, no fact or circumstances exists which might give rise to a dispute with any trade union, works council, staff association or other body representing any of its employees.
- 12.4 No industrial action, official or unofficial, is now occurring or threatened against the Target Group.
- 12.5 There is no material outstanding liability owing by the Target Group in respect of any employee provident fund or employee pension fund.

裕运控股有限公司

与

万盛科技有限公司

关于

深圳中集天达空港设备有限公司

之

股权转让协议

本《裕运控股有限公司与万盛科技有限公司关于深圳中集天达空港设备有限公司之股权转让协议》(下称“本协议”)由以下双方于 2017 年 12 月 4 日在香港特别行政区(下称“香港”)签署:

裕运控股有限公司(LUCKY RICH HOLDINGS LIMITED,下称“转让方”),一家根据萨摩亚(Samoa)法律注册的公司,住所:Offshore Chambers, P.O. Box 217, Apia, Samoa;

万盛科技有限公司(WANG SING TECHNOLOGY LIMITED,下称“受让方”)一家根据英属维尔京群岛法律注册的公司,住所:P.O.Box 957,Road Town, Offshore Incorporation Centre Tortola, British Virgin Islands.

以上双方单独称为“一方”,合称为“双方”。

鉴于:

1. 深圳中集天达空港设备有限公司(下称“公司”)是一家依据中国(指中华人民共和国。为本协议之目的,不包括香港、澳门特别行政区和台湾地区)法律在中国深圳市注册成立并有效存续的外商合资有限责任公司,注册资本为 1,350 万美元,住所为深圳市南山区蛇口工业四路四号;
2. 转让方为公司的股东之一,对公司的出资额为 405 万美元,占公司注册资本的比例为 30%;
3. 现转让方拟将其对公司的出资 405 万美元(下称“标的股权”)转让给受让方(下称“本次股权转让”或“本次转让”);受让方同意按照本协议的约定,受让标的股权。

因此,基于本协议中包含的前提及相互陈述、保证、约定和承诺,根据《中华人民共和国合同法》及其它有关法律、行政法规的有关规定,双方就公司本次股权转让事宜达成具有法律约束力的协议如下:

第一条 标的股权与对价

- 1.1 在符合本协议的各项条件及条款下,转让方同意将标的股权(包括在本协议签订之日至交割日(定义见下文)期间标的股权孳生的股东权益)转让给受让方,受让方同意受让转让方转让的标的股权。
- 1.2 标的股权的对价为 610,553,589 元人民币,由受让方促使中国消防企业集团有限公司(CHINA FIRE SAFETY ENTERPRISE GROUP LIMITED,为一家根据开曼群岛法律设立并在香港联合交易所有限公司主板上市的公司(股票代码:445),合法持有受让方 100%权益,下称“中国消防”)通过向转

让方或其指定第三方配售和发行 1,014,679,470 股普通股（发行价为每股 0.366 元港币）（下称“对价股份”）和面值为 294,886,806 元人民币的可转换债券（可转换为中国消防普通股，初始转换价格为每股 0.366 元港币）（下称“对价债券”，以下与对价股份合称“对价证券”）的方式完成支付。对价债券的条款及条件刊载于中国消防于 2017 年 12 月 4 日出具的《中国消防企业集团有限公司关于深圳中集天达空港设备有限公司股权转让事宜的承诺书》的附件一。

1.3 本次股权转让前公司的股东、出资额及持股比例情况如下：

序号	股东名称	出资额（美元万元）	持股比例
1	PTERIS GLOBAL LIMITED	945	70%
2	转让方	405	30%
合 计		1,350	100%

本次股权转让完成后公司的股东、出资额及持股比例情况如下：

序号	股东名称	出资额（美元万元）	持股比例
1	PTERIS GLOBAL LIMITED	945	70%
2	受让方	405	30%
合 计		1,350	100%

第二条 陈述与保证

2.1 转让方的陈述和保证

2.1.1 授权/批准

转让方拥有合法订立和签署本协议及履行本协议项下的义务、责任的一切权利、权力和授权，本协议一经签署即对其构成有效、具有约束力及可以执行的义务。

2.1.2 不冲突

转让方签署本协议以及履行本协议项下的义务，均不会违反：(1) 《深圳中集天达空港设备有限公司章程》（下称“《公司章程》”）或其组织性文件；或(2) 适用于其的任何判决、命令或其须遵从的任何适用法律或规定；或(3) 其作为签约方的任何文件或协议，或对其本身和其资产具有约束力的任何文件或协议。

2.1.3 标的股权状况

转让方合法拥有标的股权的全部权益，且于交割日（定义见下文），

转让方所持有的标的股权不存在质押、查封、冻结及其他设定第三人权利或存在处置限制的情形，且 PTERIS GLOBAL LIMITED 以书面形式放弃对标的股权的优先购买权。

2.1.4 其将严格履行其在本协议项下的所有义务和责任。

2.2 受让方的陈述和保证

2.2.1 授权与批准

其在其设立地依法设立，有效存续。其拥有合法订立和签署本协议及履行其在本协议项下的义务所需的权利、权力和授权，本协议一经签署即对其构成有效、具有约束力及可以执行的义务。

2.2.2 不冲突

其签署本协议以及履行本协议项下的义务，不会违反：(1) 适用于其的任何判决、命令或其须遵从的任何适用法律或规定；(2) 其作为签约方的任何文件或协议，或对其本身和其资产具有约束力的任何文件或协议。

2.2.3 其将严格履行其在本协议项下的所有义务和责任。

2.3 不论是否故意或过失，若任何一方在本协议中作出的陈述与保证不真实，视为对本协议的实质性违反，作出不真实承诺、保证和声明的一方应被视为违约方，其他方有权要求违约方按照本协议的约定承担违约责任。

第三条 交割先决条件

3.1 交割先决条件

转让方向受让方转让标的股权及受让方向转让方支付对价证券以下列交割先决条件得以满足（或被转让方和/或受让方以书面形式豁免）为前提：

3.1.1 SHARP VISION HOLDINGS LIMITED、FENGQIANG HOLDING LIMITED、受让方及中国消防于 2017 年 12 月 4 日就 PTERIS GLOBAL LIMITED 99.41% 的股份转让所订立的股份买卖协议约定的交割先决条件全部得到满足（或依据其约定的条款得以豁免）；

3.1.2 自本协议签署之日起至交割日（定义见下文），转让方在本协议第 2.1 条所作的陈述与保证在全部重大方面均真实、准确且不存在误导成分；

3.1.3 自本协议签署之日起至交割日（定义见下文），受让方在本协议第 2.2 条所作的陈述与保证在全部重大方面均真实、准确且不存在误导成

分；

- 3.1.4 不存在已发生、正在发生或将要发生的，导致公司及其附属公司的资产、业务、运营或财务产生重大不利影响的事件；
 - 3.1.5 不存在相关法律、行政法规、规章、规范性文件或具有普遍约束力的行政命令（下称“中国法律”）禁止、限制本协议项下拟进行的各项交易的完成，或对本协议项下拟进行的各项交易的完成施予条件或限制，或根据中国法律合理预期到该等情况的发生；
 - 3.1.6 已取得并完成相关商务部门对公司本次股权转让的核准或备案；
 - 3.1.7 公司股东会（如需）批准本次股权转让及本协议项下拟进行的其他各项交易；
 - 3.1.8 中国消防独立股东在中国消防股东大会上作出批准本协议项下交易（包括发行对价证券）、批准增加中国消防授权资本、批准本协议项下根据香港《公司收购及合并守则》规则 25 被视为的特别交易和其他根据《香港联合交易所有限公司证券上市规则》的规定需要作出的全部必要的决议；及
 - 3.1.9 香港证监会企业融资部的执行董事（或获其授权之人士）已根据香港《公司收购及合并守则》规则 25 同意本协议项下被视为的特别交易，且在本协议项下交易完成前该等同意未被撤销；
 - 3.1.10 香港联合交易所有限公司已授予所有对价股份和对价债券全部转换为中国消防股份时中国消防相应发行的全部股份的上市及买卖许可，且该等许可未被撤销。
- 3.2 双方一致同意，将尽最大努力并采取一切必要的行动确保交割先决条件尽快完成。
- 3.3 受让方可在最后期限（定义见下文）之前决定豁免本协议第 3.1 条约定的交割先决条件（第 3.1.1 条、第 3.1.3 条、第 3.1.5 条、第 3.1.6 条、第 3.1.7 条、第 3.1.8 条、第 3.1.9 条和第 3.1.10 条除外）。转让方可在最后期限之前决定豁免本协议第 3.1.3 条的交割先决条件。
- 3.4 本协议第 3.1 条交割先决条件全部满足（或被豁免）的时间不晚于 2018 年 3 月 31 日的中午十二点（香港时间）或（如有）双方书面确认的其他时间（下称“最后期限”）。

第四条 交割

4.1 交割安排

4.1.1 标的股权的交割

在遵守本协议的条款和条件的前提下，在本协议第 3.1 条所列交割先决条件均已满足或被转让方和/或受让方书面豁免，转让方将向受让方发出确认标的股权进行交割的书面通知。受让方将在收到转让方该等通知后三（3）个工作日内就是否进行标的股权的交割书面回复转让方。若受让方确认进行标的股权的交割，则转让方应于取得该等书面确认后的第三（3）个工作日（下称“交割日”）向主管工商部门办理将标的股权变更登记至受让方名下的手续，受让方应予以积极配合。

4.1.2 对价证券的交割

- (1) 受让方应促使中国消防向转让方或其指定第三方配售和发行对价股份，将转让方或其指定第三方在中国消防的香港股东名册上登记，并于交割日的后一（1）个工作日向转让方交付以转让方或其指定第三方作为股份持有人的对价股份。
- (2) 受让方应促使中国消防向转让方或其指定第三方发行对价债券，将转让方或其指定第三方在中国消防有关债券名册上登记，并于交割日的后一（1）个工作日向转让方交付以转让方或其指定第三方作为债券持有人的对价债券的债券证书。

4.2 股权转让税费的承担

双方应根据适用法律各自承担本协议项下各项交易所产生的各项税负或费用。

4.3 出资证明书

转让方应促使公司于受让方支付对价证券之日起三（3）个工作日内向受让方签发出资证明书。出资证明书应载明以下内容：公司名称、注册资本、股东名称、出资额、持股比例、出资日期、出资证明书签发日期。出资证明书由公司法定代表人签名并加盖公司印章。

第五条 保密

- 5.1 除非适用法律、《香港联合交易所有限公司证券上市规则》、《深圳证券交易所股票上市规则》、香港《公司收购及合并守则》等证券监管规定另有规定以及向律师及相关顾问披露，本协议双方及其关联方均不得向第三方披露、泄露、讨论或透露任何由于执行本协议所获知的保密信息，并不得用以谋取任何的商业利益。双方应该并应促使其雇员或代理人如对待自己的财产和保密信息一般重视上述保密信息，同时保证和其关联方不将上述保密信息用于除履行本协议项下义务之外的任何目的。

第六条 赔偿及违约责任

- 6.1 任何一方(违约方)未能按本协议的规定履行其在本协议项下的任何义务,或其作出任何的声明、保证及承诺被证实为虚假,则应被视为违约,另一方可向违约方要求赔偿,以弥补其损失。
- 6.2 违约情形发生后,守约方有权书面通知违约方要求其在三十(30)日内纠正违约行为。若违约方未能够在三十(30)日内纠正违约行为的,或者违约行为构成实质性违约、导致守约方无法继续履行本协议及/或不能实现协议之目的,则守约方有权单方面提前解除本协议,违约方需承担守约方因此所遭受的经济损失。
- 6.3 任何一方因违反本协议的规定而应承担的违约责任不因本协议的解除而解除。

第七条 通知与送达

- 7.1 本协议项下的所有通知、请求、索赔、要求和其他通信,均应采书面形式,通过专人交付、知名隔夜速递服务、传真、或挂号或证明邮件(邮资预付,要求回执)发出或发送(收到时即视为已适当发出或发送)至本协议双方的下列地址:

裕运控股有限公司

地址: Unit J, 21/F, COS Centre, 56 Tsun Yip Street, Kwun Tong, Kowloon, Hong Kong

电邮: shawn.liu@armpaccapital.com

传真: (852) 3017 7816

收件人: Liu Xiaolin

万盛科技有限公司

地址: Units A-B, 16/F, China Overseas Building, 139 Hennessy Road, Wanchai, Hong Kong

电邮: janet@chinafire.com.hk

传真: (852) 2960 1166

收件人: Janet Li

- 7.2 转让人不可撤销地指定 Cheer Best Secretaries Limited (地址: House Unit J, 21/F, COS Centre, 56 Tsun Yip Street, Kwun Tong, Kowloon, Hong Kong, 收件人: Liu Xiaolin)作为本协议项下所有通知、请求、索赔、要求和其他通信的接收人。本协议项下任何通知、请求、索赔、要求和其他通信送达 Cheer Best Secretaries Limited 视为已送达转让人。

第八条 其他

- 8.1 本协议的订立、效力、解释、履行及争议的解决均适用中国法律。
- 8.2 凡因履行本协议所发生的或与本协议有关的任何争议应首先通过友好协商解决，协商不成的，任何一方均有权向深圳国际仲裁院申请仲裁，根据该会当时有效的仲裁规则进行仲裁，仲裁地点在深圳市。
- 8.3 本协议自双方签署之日起生效。本协议经双方书面一致同意，或本协议第3.1条约定的交割先决条件在最后期限前无法完成或被转让方和/或受让方豁免时终止。
- 8.4 本协议正本一式三（3）份，本协议签约方各执一份，其余由公司保管，并用于报送有关部门办理公司的股权转让手续。

（本页以下无正文）

中国消防企业集团有限公司
关于深圳中集天达空港设备有限公司股权转让事宜的
承诺书

裕运控股有限公司 (LUCKY RICH HOLDINGS LIMITED):

本公司(即中国消防企业集团有限公司(CHINA FIRE SAFETY ENTERPRISE GROUP LIMITED), 一家在开曼群岛注册成立的公司)全资子公司万盛科技有限公司(WANG SING TECHNOLOGY LIMITED, 下称“万盛科技”)于2017年12月4日与贵公司签署《裕运控股有限公司与万盛科技有限公司关于深圳中集天达空港设备有限公司之股权转让协议》(下称“《股权转让协议》”), 约定贵公司向万盛科技转让所持有的深圳中集天达空港设备有限公司(下称“中集天达”)30%的股权(代表中集天达405万美元出资额, 下称“标的股权”); 作为受让标的股权的对价, 万盛科技将促使本公司向贵公司(或贵公司指定的第三方)配售和发行1,014,679,470股普通股(发行价为每股0.366元港币)(下称“对价股份”)和面值为294,886,806元人民币的可转换债券(可转换为本公司普通股, 初始转换价格为每股0.366元港币)(下称“对价债券”), 对价债券的条款和条件详见本承诺书附件一。

就对价股份和对价债券发行和交付事宜, 本公司承诺将按照《股权转让协议》约定的方式和时限及附件一所述对价债券的条款和条件向贵公司(或贵公司指定的第三方)发行并交付对价股份和对价债券。

本承诺书受中国(指中华人民共和国。为本承诺书之目的, 不包括香港、澳门特别行政区和台湾地区)的法律管辖, 并据其解释。

特此承诺。

承诺人:

中国消防企业集团有限公司 (CHINA FIRE SAFETY ENTERPRISE GROUP LIMITED) (盖章)

授权代表: _____



2017年12月4日

(本页无正文，为《裕运控股有限公司与万盛科技有限公司关于深圳中集天达空港设备有限公司之股权转让协议》的签署页)

裕运控股有限公司 (LUCKY RICH HOLDINGS LIMITED)

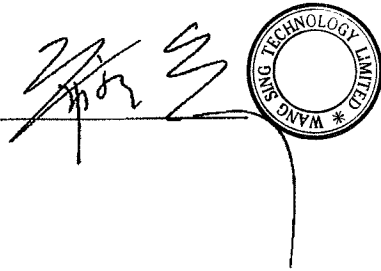
For and on behalf of
LUCKY RICH HOLDINGS LIMITED
裕 運 控 股 有 限 公 司

授权代表 (签字): 
Authorised Signature(s)

（本页无正文，为《裕运控股有限公司与万盛科技有限公司关于深圳中集天达空港设备有限公司之股权转让协议》的签署页）

万盛科技有限公司（WANG SING TECHNOLOGY LIMITED）

授权代表（签字）：

A handwritten signature in black ink is written over a horizontal line. To the right of the signature is a circular stamp. The stamp has a double-line border. The text "WANG SING TECHNOLOGY LIMITED" is written around the inner edge of the stamp, with a small asterisk at the bottom. A vertical line extends downwards from the bottom of the stamp.