

Dated the 25th day of May 2022

**Deson Development International Holdings Limited
(as Company)**

and

**Astrum Capital Management Limited
(as Placing Agent)**

PLACING AGREEMENT

relating to

**the placing of 2-year 10% coupon unlisted and unsecured bonds
in an aggregate principal amount of
HK\$20,000,000 by Deson Development International Holdings Limited**

THIS AGREEMENT is made on the 25th day of May 2022

PARTIES:

- (1) **Deson Development International Holdings Limited**, a company incorporated in Bermuda with limited liability and having its registered office at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and its principal place of business at 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong (the “**Company**”); and
- (2) **Astrum Capital Management Limited**, a company incorporated in Hong Kong with limited liability and having its registered office at Room 2704, 27/F, Tower 1, Admiralty Centre, Hong Kong (the “**Placing Agent**”).

WHEREAS:

- (A) The Company is a company incorporated in Bermuda with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange of Hong Kong Limited.
- (B) The Company is desirous of issuing the Bonds, being 2-year 10% coupon unlisted and unsecured bonds.
- (C) The Company has agreed to appoint the Placing Agent and the Placing Agent has agreed to act as placing agent for the purpose of procuring, on a **best effort** basis, purchaser(s) for the Bonds to an aggregate principal amount of up to HK\$20,000,000 on the terms and subject to the conditions contained in this Agreement.
- (D) In consideration of the Placing Agent agreeing to enter into this Agreement on terms set out herein, the Company has agreed to, among other matters, give certain representations, warranties and undertakings for the benefit of the Placing Agent.

NOW IT IS HEREBY AGREED as follows:

DEFINITIONS AND INTERPRETATION

1. In this Agreement (including the recitals), the following expressions shall, unless the context otherwise requires, have the following meanings:

“ Agreement ”	means this placing agreement (as may be amended or varied from time to time by an agreement in writing duly executed by the Parties);
“ Associates ”	has the meaning ascribed to it in the Listing Rules;
“ Application ”	means the application to be made by the Placee, through the Placing Agent, to the Company for the application of the Bonds substantially in the form set out in Schedule 2 of this Agreement;

“Bondholder”	means a person in whose name a Bond is registered in the register of Bondholders, and “holder” in relation to a Bond has a corresponding meaning;
“Bonds”	means the 2-year 10% coupon unlisted and unsecured bonds to be issued by the Company in the aggregate principal amount of up to HK\$20,000,000 to be placed pursuant to this Agreement and to be created and constituted by the Instrument;
“Business Day”	means any day (excluding a Saturday and any day on which a tropical cyclone warning no.8 or above or a “black” rainstorm warning signal is hoisted or remains hoisted in Hong Kong at any time between 9 a.m. to 12 noon and is not lowered or discontinued at or before 12 noon) on which banks generally open for business in Hong Kong and the Stock Exchange is open for the business of dealing in securities;
“Certificate”	means a certificate in or substantially in the form set out in Schedule 1 of the Instrument issued in the name of the holder of one or more Bonds;
“chief executive”	has the meaning ascribed to it in the Listing Rules;
“Completion”	means, in respect of each Application given, the completion of the subscription of the Bonds pursuant to Clauses 14 to 16 and the Schedule 4 of this Agreement; and “Completion Date” means the date of such Completion;
“connected person”	has the meaning ascribed to it in the Chapter 1 and Chapter 14A of the Listing Rules;
“Group”	means the Company and its subsidiaries, and “member of the Group” and cognate expressions shall be construed accordingly;
“Hong Kong”	means the Hong Kong Special Administrative Region of the People’s Republic of China;
“Instrument”	means the instrument to be executed by the Company by way of a deed poll constituting the Bonds substantially in the form set out in Schedule 1 of this Agreement (subject to such amendments as the Placing Agent and the Company may agree), together with the schedules (as from time to time altered in accordance with the instrument) and any other document executed in accordance with the instrument (as from time to time so

	altered) and expressed to be supplemental to the instrument;
“Issue Price”	means the issue price of the Bonds, which shall be 100% of the principal amount of the Bonds;
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange;
“Parties”	means the named parties to this Agreement and their respective successors and permitted assigns and the expression “Party” shall be construed accordingly;
“Placee”	means any person or entity to whom the Placing Agent or its agents shall procure or, as the case may be, shall have procured to subscribe for the Bonds;
“Placing”	means the offer by way of a private placing of the Bonds in registered form by or on behalf of the Placing Agent or its agents to (save as provided in Clauses 5 to 7 of this Agreement) selected independent individuals, corporate, institutional investors or other investors on the terms and subject to the conditions set out in this Agreement;
“Placing Period”	means the period commencing from the date of this Agreement and ending at 5:00 p.m. on 30 June 2022 (or such other period as may be agreed between the Company and the Placing Agent in writing), unless terminated earlier pursuant to the terms of this Agreement;
“SFC”	means the Securities and Futures Commission of Hong Kong;
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited;
“substantial shareholder”	has the meaning ascribed to it in the Listing Rules;
“Warranties”	means the representations, warranties and undertakings under Clauses 17 to 19 and Schedule 3 of this Agreement;
“HK\$”	means Hong Kong dollars, the lawful currency of Hong Kong; and
“%”	means per cent.

2. In this Agreement:
 - 2.1 references to costs, charges, remuneration or expenses shall include any value added tax, turnover tax or similar tax charged in respect thereof;
 - 2.2 references to any action, remedy or method of judicial proceedings for the enforcement of rights of creditors shall include, in respect of any jurisdiction other than Hong Kong, references to such action, remedy or method of judicial proceedings for the enforcement of rights or creditors available or appropriate in such jurisdiction as shall most nearly approximate thereto;
 - 2.3 words denoting the singular number only shall include the plural number also and vice versa;
 - 2.4 words denoting one gender only shall include the other genders and the neuter and vice versa;
 - 2.5 words denoting persons only shall include firms and corporations and vice versa;
 - 2.6 references to any provision of any statute (including the Listing Rules) shall be deemed also to refer to any modification or re-enactment thereof or any instrument, order or regulation made thereunder or under such modification or re-enactment; and
 - 2.7 references to any document in the agreed form is to such document which has been initialed by the parties for identification.
3. Headings shall be ignored in construing this Agreement.
4. The Schedules are part of this Agreement and shall have effect accordingly.

PLACING OF THE BONDS

5. Subject to the provisions of this Agreement, the Company hereby appoints the Placing Agent as placing agent and the Placing Agent, relying on the representations, warranties and undertakings herein contained and subject as hereinafter mentioned, agrees to act as agent for the Company during the Placing Period to procure Placees to subscribe for the Bonds at the Issue Price on a **best effort** basis.
6. The Bonds shall be offered to the Placees in aggregate principal amount of up to HK\$20,000,000. The choice of Placees for the Bonds and the amount of the Bonds to be allocated to any particular Placee of up to the maximum principal amount of the Bonds agreed to be placed by the Placing Agent under Clause 5 of this Agreement shall be determined by the Placing Agent at its sole discretion subject to the requirement that, subject to Clause 7 of this Agreement, such Placee shall be an independent institutional or private investor not connected with the directors, chief executive or substantial shareholder of the Company or any of its subsidiaries or any of their respective Associates and subject to the requirements of the Listing Rules.
7. The Placing Agent shall use its reasonable endeavours to ensure that it will not offer or place any of the Bonds to or with any person, firm or company which is a connected person (as that expression is defined in the Chapter 1 and Chapter 14A of the Listing Rules) of the Company.

AUTHORITY OF PLACING AGENT

8. The Company hereby confirms that the appointment of the Placing Agent pursuant to Clause 5 of this Agreement confers on the Placing Agent all powers, authorities and discretions on behalf of the Company which are necessary for or reasonably incidental to, the Placing.
9. The Placing Agent shall have no liability in respect of any omission of information from any announcement or circular to shareholders of the Company about the transactions disclosed in the announcement or any information or statement of fact or opinion contained in any of these documents being untrue, incorrect or misleading, for the Company and the directors of the Company are solely responsible.
10. The Company hereby acknowledges that in performing its functions under this Agreement, the Placing Agent is authorised at the Placing Agent's own cost and expense to appoint one or more sub-placing agents and/or selling agents ("**Sub-agents**") and that such Sub-agents shall be agents of the Placing Agent relating to the Placing on the terms of and subject to the provisions of this Agreement and, subject to due compliance with all terms of this Agreement, the Company hereby agrees and confirms that it will, on the terms of and subject to the provisions of this Agreement, as soon as practicable upon a reasonable request by the Placing Agent ratify and confirm all actions lawfully taken or to be taken by such Sub-agents and the Placing Agent in connection with the Placing in accordance with the terms of this Agreement. All fees of such Sub-agents shall be paid and borne absolutely by the Placing Agent or be paid out of the commissions, costs, charges and expenses payable by the Company under Clauses 23 to 25 of this Agreement. The Placing Agent may enter into any agreements with any of the Sub-agents for such purpose.
11. Any transaction properly carried out by the Placing Agent (and any Sub-agents referred to in Clause 10 of this Agreement) under and in accordance with this Agreement on behalf of the Company shall constitute a transaction carried out at the request of the Company and as its agent and not in respect of the Placing Agent's own account and the Placing Agent shall not be responsible for any loss or damage to any persons arising from any such transaction save and except
 - 11.1 for any loss or damage arising out of any fraud, default or negligence on the part of the Placing Agent or any Sub-agent involved in the Placing; or
 - 11.2 as a result, directly or indirectly, from non-compliance by the Placing Agent or any Sub-agent with its obligations under this Agreement.
12. Neither of the Placing Agent nor any of the Sub-agents appointed by it pursuant to Clause 10 of this Agreement shall have any authority to make any representation or warranty on behalf of the Company in connection with the Placing other than to inform the Placees of the Warranties in Clauses 17 to 19 of this Agreement.
13. The Placing Agent hereby represents, warrants and undertakes to the Company that:
 - 13.1 the Bonds shall be offered by the Placing Agent as agent for the Company at the Issue Price;

- 13.2 it has not offered or sold and will not offer or sell any of the Bonds in breach of any applicable legislation, and it has not distributed and shall not distribute any document relating to the offering of the Bonds which would constitute a prospectus of the Company under applicable legislation;
- 13.3 it shall not, directly or indirectly, offer, sell or deliver any Bonds or distribute or publish any documents (including, without limitation to the foregoing, any prospectus, form of application, offering circular, advertisement or other offering material or any report or other document calculated to invite or lead to offers or agreements being made to subscribe the Bonds) or make any representations or statements in relation to the Placing in any country or jurisdiction except such offer, sale or delivery is made under circumstances that shall not result in or constitute a breach of any applicable laws and regulations or result in an offer to the public or give rise to a requirement for any prospectus to be published or filed or any registration or qualification to be made or obtained in any country or jurisdiction and all offers, sales and deliveries of Bonds shall be made on such terms;
- 13.4 it will procure each Placee to sign the Application as in Schedule 2 of this Agreement, which shall include written confirmations that the Placee, and (if applicable) beneficial owner(s) of the Placee, is not a connected person of the Company and is independent of and not connected with any of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective Associates;
- 13.5 it will make available and promptly supply, or procure the relevant Placee(s) to make available and promptly supply, to the Stock Exchange, the SFC and/or any other regulatory authority all information in relation to itself and the Placee(s) which may be required by the Stock Exchange, the SFC and/or any other regulatory authority;
- 13.6 the Placing Agent will provide the Company with all assistance necessary to enable the Company to comply with any applicable law, regulation or direction of the Stock Exchange, the SFC or any other applicable regulatory body in connection with the Placing; and
- 13.7 it will ensure the fulfillment of and compliance with all applicable rules and regulations of the Stock Exchange in relation to the Placing, and, if required, will issue appropriate written confirmation of such fulfillment and compliance.

COMPLETION

14. Subject to Clauses 27 to 29 of this Agreement and the Placing Agent having served an Application to the Company on any Business Day during the Placing Period, Completion in respect of the Bonds which are set out in such Application shall take place at the head office and principal place of business of the Company in Hong Kong at or before 4:00 p.m. (Hong Kong time) on any date on or before the 5th Business Day after the Company receiving such Application (or such other date, time or place as the Parties may agree in writing).
15. In order to be valid, an Application shall:

- 15.1 require the application of Bonds in the principal amount not less than HK\$1,000,000 or integral multiples thereof;
 - 15.2 not require the issue of Bond(s) which, when aggregated with the principal amount of Bonds then issued or required to be issued under other Application(s), will exceed HK\$20,000,000; and
 - 15.3 state the names, addresses and occupation of the registered holder(s) of the relevant Bonds.
16. At each Completion, each Party shall perform its respective obligations set out in Schedule 4 of this Agreement.

REPRESENTATIONS AND WARRANTIES

17. The Company represents, warrants and undertakes with the Placing Agent in the terms set out in these Clauses 17 to 19 and Schedule 3 of this Agreement.
18. The Company agrees and acknowledges that the Placing Agent is entering into this Agreement in reliance on the Warranties.
19. All Warranties are deemed to be made on the date of this Agreement and are repeated every day until each Completion and on each Completion. The Company undertakes to notify the Placing Agent upon it becoming aware prior to each Completion of any event which could reasonably be expected as indicating that any of the Warranties may be or may have been incorrect, misleading or breached in any material respect.

UNDERTAKINGS

20. The Company hereby undertakes with the Placing Agent that the Company shall comply in all respects with the terms and conditions of the Placing as set out in the Instrument and, in particular, the Company shall duly create, allot and issue the Bonds and shall issue Certificates in respect of the Bonds in accordance with the provisions of this Agreement and the Instrument.
21. Each of the Parties undertakes to the other to comply with the laws of Hong Kong and Bermuda and all requirements of the Listing Rules, Stock Exchange and, if necessary, the SFC.
22. The Company hereby undertakes with the Placing Agent to comply with the obligations imposed upon it by its constitutional documents, the Listing Rules and all applicable laws and regulations in respect of or by reason of the matters contemplated by this Agreement.

PAYMENT OF FEES, COMMISSIONS AND EXPENSES

23. In consideration of the services of the Placing Agent in relation to the Placing, the Company shall pay:
 - 23.1 to the Placing Agent a placing commission equal to 2.0% of the total principal amount of the Bonds successfully placed by the Placing Agent pursuant to this Agreement, out of which the Placing Agent will meet its sub-placing commission obligations (if any); and

- 23.2 other out-of-pocket charges and expenses properly and reasonably incurred by the Placing Agent in relation to the Placing including the legal fee payable by the Placing Agent for preparation of this Agreement.
24. Without limiting the generality of the provisions of Clause 23 of this Agreement, the Company shall also pay in relation to the Placing:
- 24.1 the costs, charges, fees and expenses of:
- 24.1.1 publishing any announcement(s) in connection with this Agreement or in relation to the Placing;
- 24.1.2 any accountants or other professional advisers engaged in connection with the Placing or this Agreement;
- 24.1.3 any approval, filing and/or registration with the Registrars of Companies in Hong Kong and Bermuda, and any other charges or fees imposed or charged by the Registrars of Companies in Hong Kong and Bermuda in relation to the Placing, if any; and
- 24.1.4 all other costs incurred in connection with the Placing not already paid by the Placing Agent on the Company's behalf; and
- 24.2 any capital duty, premium duty and any other fees, charges and expenses payable on the creation and issue of the Bonds, if any.
25. If for any reason the Placing is not completed, the Company shall remain liable for the payment of the out-of-pocket charges and expenses incurred by the Placing Agent specified in Clause 23.2 of this Agreement and all costs, charges and expenses which are referred to in Clause 24 of this Agreement.

INDEMNIFICATION AND NO CLAIM

26. The Company shall indemnify and keep effectively indemnified the Placing Agent from and against all losses and damages which it may suffer, sustain or incur in connection with any of the Warranties not being correct, complied with, fulfilled or performed in accordance with their terms.

TERMINATION

27. The Placing Agent may, by notice to the Company given at any time prior to the expiry date of the Placing Period, terminate this Agreement in the absolute opinion of the Placing Agent when the success of the Placing contemplated hereunder would be materially and adversely affected by:
- 27.1 the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the absolute opinion of the Placing Agent materially and adversely affect

the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Placing; or

- 27.2 the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date hereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the absolute opinion of the Placing Agent materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and makes it inexpedient or inadvisable to proceed with the Placing; or
- 27.3 any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the absolute opinion of the Placing Agent is likely to materially or adversely affect the success of the Placing or otherwise makes it inexpedient or inadvisable to proceed with the Placing; or
- 27.4 any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out; or
- 27.5 any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than 15 consecutive Business Day; or
- 27.6 any material breach of any of the Warranties comes to the knowledge of the Placing Agent.
28. If at any time prior to the expiry date of the Placing Period, any such notice as is referred to above is given by the Placing Agent, the obligations of all Parties under this Agreement shall terminate forthwith and no Party shall have any claim against any other Party for costs, damages, compensation or otherwise save for any antecedent breaches. Also, this Agreement may be terminated upon mutual written agreement between the Company and the Placing Agent.
29. Termination of this Agreement under Clauses 27 to 28 of this Agreement shall be without prejudice to any rights of any Party in respect of any breach by the other prior to such termination.

RESTRICTIONS ON ANNOUNCEMENTS

30. For the avoidance of doubt, the Placing Agent acknowledges and consents that the Company will publish an announcement (the "**Announcement**") in relation to the issue of Bonds in such form as the Company may determine as soon as possible following the execution of this Agreement. Each of the Parties hereto undertakes that save for the Announcement and save as required by law or by the Listing Rules or by the Stock Exchange or the SFC or any relevant stock exchange or regulatory body, it will not at any time make any announcement in connection with this Agreement unless the other Party hereto shall have given written consents

to such announcement (which consents may not be unreasonably withheld or delayed and may be given either generally or in a specific case or cases and may be subject to conditions).

31. Save for the Announcement, no public announcement or communication of any kind shall be made in respect of the subject matter of this Agreement unless specifically agreed between the Parties in writing or unless an announcement is required pursuant to the Listing Rules, the applicable law and regulations or the requirements of the Stock Exchange, the SFC or any other regulatory body or authority.

PARTIAL INVALIDITY

32. If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect in any jurisdiction, the legality, validity and enforceability in other jurisdictions or of the remaining provisions of this Agreement shall not be affected or impaired thereby.

ASSIGNMENT

33. This Agreement shall be binding on and enure for the benefit of the successors of each of the Parties and should not be assignable by any Party without the prior written consent of the other Party.

CONTINUING EFFECT OF AGREEMENT

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

GENERAL

35. This Agreement supersedes all and any previous agreements, arrangements or understanding between the Parties relating to the matters referred to in this Agreement and all such previous agreements, understanding or arrangements (if any) shall cease and determine with effect from the date hereof and neither Party shall have any claim in connection therewith.
36. This Agreement constitutes the entire agreement between the Parties with respect to its subject matter (no Party having relied on any representation or warranty made by any other Party which is not contained in this Agreement) and no variation of this Agreement shall be effective unless made in writing and signed by all of the Parties.
37. Time shall be of the essence of this Agreement but no failure by any Party to exercise, and no delay on its part in exercising any right hereunder will operate as a waiver thereof, nor shall any single or partial exercise of any right under this Agreement preclude any other or further exercise of it or the exercise of any right or prejudice or affect any right against the other. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.
38. The exercise by the Placing Agent or any Bondholder of any right or remedy against, and the waiver of any right of or remedy in favour of, any person shall not release or be deemed to be

a waiver of the obligations of any other person, whether such other person is under a joint, joint and several or several obligation towards the Placing Agent and/or the Bondholder.

NOTICES

39. Any notice claim, demand, court process, document or other communication to be given under this Agreement (collectively “**communication**” in these Clauses 39 to 44 of this Agreement) shall be in writing in the English language and may be served or given personally or sent to the facsimile numbers (if any) of the relevant Party and marked for the attention and/or copied to such other person as specified in Clause 42 of this Agreement.
40. A change of address or facsimile number of a Party to whom a communication is to be addressed or copied pursuant to this Agreement shall not be effective until five days after a written notice of change has been served in accordance with the provisions of these Clauses 39 to 44 of this Agreement on the other Party to this Agreement with specific reference in such notice that such change is for the purposes of this Agreement.
41. All communications shall be served by the following means and the addressee of a communication shall be deemed to have received the same within the time stated adjacent to the relevant means of despatch:

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

42. The initial addresses and facsimile numbers of the Parties for the service of communications, the person for whose attention such communications are to be marked and the person to whom a communication is to be copied are as follows:

If to the Company:

Correspondence address: 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong

Attention: the board of directors

If to the Placing Agent:

Correspondence address: Room 2704, 27/F, Tower 1, Admiralty Centre, Hong Kong

Attention: the board of directors

43. A communication served in accordance with these Clauses 39 to 44 of this Agreement shall be deemed sufficiently served and in proving service and/or receipt of a communication it shall be sufficient to prove that such communication was left at the addressee's address or that the envelope containing such communication was properly addressed and posted or despatched to

the addressee's address or that the communication was properly transmitted by facsimile to the addressee. In the case of facsimile transmission, such transmission shall be deemed properly transmitted on receipt of a report of satisfactory transmission printed out by the sending machine.

44. Nothing in these Clauses shall preclude the service of communication or the proof of such service by any mode permitted by law.

COSTS

45. Each of the Parties hereto shall bear their own costs, fees, and disbursements arising out of the preparation, negotiation, execution and performance of this Agreement and all documents incidental or relating to the Placing.

GOVERNING LAW

46. This Agreement is governed by and shall be construed in accordance with Hong Kong law.
47. The Parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong.

COUNTERPARTS

48. This Agreement may be executed by the Parties in any number of counterparts and on separate counterparts, each of which when so executed shall be deemed an original but all of which shall constitute one and the same instrument and is binding on all Parties. A Party may execute this Agreement and the documents referred to herein on a facsimile copy counterpart and deliver its signature and seal by facsimile.

AS WITNESS where of this Agreement has been duly executed on the date first above written.

EXECUTION PAGE

THE COMPANY

SIGNED by TJIA Boen Sien)

for and on behalf of)
Deson Development International Holdings Limited)

in the presence of:)

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LAM WICK MAN AWAL

For and on behalf of
DESON DEVELOPMENT INTERNATIONAL HOLDINGS LIMITED
迪臣發展國際集團有限公司

[Handwritten Signature]
.....
Authorized Signature(s)

THE PLACING AGENT

SIGNED by PAN Chik)

for and on behalf of)
Astrum Capital Management Limited)

in the presence of:)

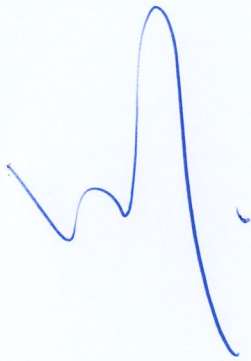
EXECUTION PAGE

THE COMPANY

SIGNED by TJIA Boen Sien)
)
)
for and on behalf of)
Deson Development International Holdings Limited)
)
)
in the presence of:)

THE PLACING AGENT

SIGNED by Hidulf KWAN)
)
)
for and on behalf of)
Astrum Capital Management Limited)
)
)
in the presence of: *CHAM KAM Hung*)
[Signature])



SCHEDULE 1 OF THE AGREEMENT

The Instrument of Bonds

THIS INSTRUMENT is made on [*] 2022 by:

DESON DEVELOPMENT INTERNATIONAL HOLDINGS LIMITED, a company incorporated in Bermuda and having company number 18684 and with its registered address at Victoria Place, 5th Floor, 31 Victoria Street, Hamilton HM10, Bermuda and a place of business at 11th Floor, Nanyang Plaza, 57 Hung To Road, Kwun Tong, Kowloon, Hong Kong (the “**Issuer**” or “**Company**”).

WHEREAS:

- (A) By a placing agreement dated [*] 2022 (the “**Placing Agreement**”) made between the Issuer and Astrum Capital Management Limited (the “**Placing Agent**”), the Issuer has agreed to appoint the Placing Agent and the Placing Agent has agreed to act as placing agent for the purpose of procuring, on a best effort basis, purchaser(s) (the “**Purchaser(s)**”) for the Bonds to an aggregate principal amount of HK\$20,000,000 on the terms and subject to the conditions contained in the Placing Agreement.
- (B) The Issuer is entering into this Instrument by way of deed poll for the purpose of constituting and defining the rights and interest of the holders for the time being of such Bonds.

NOW THIS INSTRUMENT WITNESS and the Issuer declares as follows:

1 DEFINITIONS

- 1.1 Words and expressions defined in the Terms and Conditions and not defined in the main body of this Instrument shall have the same meanings as are given to them in the Terms and Conditions when used in this Instrument.
- 1.2 In this Instrument, unless the context otherwise requires, the following words and expressions shall have the following meaning:

“ Bond(s) ”	the 2-year 10 percent (10%) coupon unlisted and unsecured bonds in the aggregate principal amount of HK\$20,000,000, to be issued by the Issuer to the Purchaser(s) pursuant to the Placing Agreement with the benefit of and subject to the provisions of the Terms and Conditions
“ Bond Certificate ”	the certificate to be issued in the name of the Bondholder in respect of its registered holdings of the Bonds, in the form set forth in Schedule 1
“ Terms and Conditions ”	the terms and conditions of the Bonds pursuant to the Bond Instrument

- 1.3 The provisions of Condition 1.2 shall apply in construing this Instrument.
- 1.4 Headings shall be ignored in construing this Instrument.
- 1.5 The Schedules are part of this Instrument and shall have effect accordingly.
- 1.6 If at any time any provision of this Instrument is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, neither the legality, validity or enforceability of such provision under the law of any other jurisdiction shall in any way be affected or impaired thereby.
- 1.7 All references in this Instrument to the “actual knowledge” of Issuer shall refer only to the actual knowledge of the directors of the Issuer, and shall not be construed to refer to the knowledge of any other officer, agent or employee of the Issuer or any Affiliate of the Issuer or to impose upon the Issuer or the directors of the Issuer any duty to investigate the matter to which such actual knowledge, or the absence thereof, pertains.

2 ISSUE OF THE BONDS

- 2.1 The Issuer shall upon its execution of this Instrument issue the Bonds for subscription by the Purchaser(s) in accordance with the terms of the Placing Agreement and this Instrument.
- 2.2 The Bonds are governed by this Instrument and the Terms and Conditions which shall be binding on the Issuer and the Bondholder. The Bondholder shall be entitled to enforce the obligations of the Issuer under the Bonds and the Terms and Conditions as if the same were set out and contained in this Instrument which shall be read and construed as one document with the Bonds.

3 AMOUNT OF THE BONDS AND COVENANT TO PAY

- 3.1 The aggregate principal amount of the Bonds is limited to HK\$20,000,000.
- 3.2 The Issuer hereby constitute the Bonds which have the terms and conditions provided in the Terms and Conditions and covenants in favour of each Bondholder that it will duly perform and comply with the obligation or payment under or in respect of the Bonds shall be construed to include a reference to any obligation or payment under or pursuant to his provision.

4 FORM AND DENOMINATION OF THE BONDS

- 4.1 **The Bond Certificate:** On issue of the Bonds, every Bondholder will be entitled to a definitive Bond Certificate in or substantially in the form set out in Schedule 1 with the Terms and Conditions in or substantially in the form also set out in that Schedule.

- 4.2 **Form and Denomination:** The Bonds are issued in the specified denomination of HK\$1,000,000. Each Bond and each Bond Certificate will be numbered serially with an identifying number which will be recorded on the relevant Bond Certificate and in the Register kept by or on behalf of the Issuer.
- 4.3 **Signature:** The definitive Bond Certificates will be signed manually (unless requested otherwise by the Bondholder) by two directors of the Issuer or one director and the secretary of the Issuer.
- 4.4 **Issue:** Issue and delivery of the Bonds shall be completed on the issue and delivery of the Bond Certificates to the Bondholder (or its representative) by, or by the order of, the Issuer and completion of the Register by or on behalf of the Issuer.
- 4.5 **Entitlement to treat holder as owner:** The holder of any Bonds will (save as otherwise required by law) be treated as its absolute owner of all purposes (whether or not it is overdue and regardless of any notes 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 the holder or any entry on the Register.

5 CAPITAL DUTIES AND TAXES

- 5.1 **Capital duties:** The Issuer shall pay any capital, stamp, issue, registration, documentary or other similar taxes and duties, including interest (if any) and penalties, payable in Hong Kong and Bermuda in respect of the creation and original issue and offering of the Bonds and the execution or delivery of this Instrument.
- 5.2 **Change of taxing jurisdiction:** If the Issuer becomes subject generally to the taxing jurisdiction of any territory or any authority of or in that territory having power to tax other than Hong Kong or Bermuda or any such authority of or in such territory then the Issuer will give to the Bondholder an undertaking in terms corresponding to the Terms and Conditions 15 (Taxation) with the substitution for the reference in that Condition to Hong Kong of reference to that other territory or authority to whose taxing jurisdiction the Issuer has become so subject and in such event this Instrument and the Bonds will read accordingly.

6 GENERAL COVENANTS

So long as any Bond is outstanding, the Issuer covenants to and with each Bondholder that:

- (a) **Notice of Events of Default:** The Issuer will notify the Bondholder in writing immediately upon becoming aware of the occurrence of any Event of Default;
- (b) **Bonds held by the Issuer:** The Issuer will send to the Bondholder as soon as reasonably practicable and in any event within 10 Business Days after being so requested in writing by the Bondholder a certificate of the Issuer signed by any two of its directors on behalf of the Issuer, setting out, based on the Register maintained by or on behalf of the Issuer, the total number of Bonds which, at the date of such certificate, were held by or on behalf of the Issuer or its Subsidiaries and which had not been cancelled.

- (c) **Compliance:** The Issuer will comply with the perform and observe all the provisions of this Instrument which are expressed to be binding on it.

7 MODIFICATIONS

- 7.1 Any modification to this Instrument or the Terms and Conditions may be effected only by deed poll, executed by the Issuer and expressed to be supplemental hereto, and only if (i) it shall first have been approved in writing by the Bondholder; and (ii) approved by the Stock Exchange (if required) unless such modification occurs automatically according to the terms of this Instruments or the Terms and Conditions.
- 7.2 A memorandum of every such supplemental deed shall be endorsed on this Instrument.
- 7.3 Notice of every modification to this Instrument or the Terms and Conditions shall be given to the Bondholder as soon as reasonably practicable but in any event not later than 3 Business Days of such modification.

8 SUIT BY BONDHOLDERS

- 8.1 The Issuer hereby acknowledges and covenants that the benefit of the covenants, obligations and conditions on the part of or binding upon it contained in this Instrument shall enure to each and every Bondholder.
- 8.2 Each Bondholder shall be entitled severally to enforce the said covenants, obligations and conditions against the Issuer insofar as each such Bondholder's Bonds are concerned, without the need to join the allottee of any such Bond or any intervening or other Bondholder in the proceedings for such enforcement.

9 COMMUNICATIONS TO ISSUER

- 9.1 Any communication or notice to be given under this Instrument shall be in writing, in English and shall be delivered by hand, by courier, by pre-paid post or by fax to the Issuer:

Address: 11th Floor, Nanyang Plaza,
57 Hung To Road,
Kwun Tong, Kowloon,
Hong Kong

Fax No: 3184-3401

Attention: The Board of Directors

or to such other address or fax number as shall be notified in writing by the Issuer to the Bondholders from time to time with specific reference to this Instrument.

- 9.2 Any such notice demand or other communication shall be deemed to have been delivered (a) if delivered by hand, at the time of delivery; (b) if sent by pre-paid post, on the fourth (4th) Business Day after the time of posting; and (c) if given or made by fax, immediately after it has been despatched with a confirmation that all pages have been transmitted except where despatch is not on a Business Day. If a communication would otherwise be deemed to have been delivered outside normal business hours (after 5:30 p.m. on a Business Day) in the time zone of the territory of the recipient under the preceding provisions of this Clause, it shall be deemed to have been delivered at 9:30 a.m. on the next opening of business in the territory of the recipient. In providing service of a communication, it shall be sufficient to show that delivery by hand was made or that an envelope containing the communication was properly address and posted as a pre-paid letter or that the facsimile transmission was despatched and a confirmatory transmission report or other acknowledgement of good receipt is received.

10 GOVERNING LAW AND JURISDICTION

- 10.1 **Governing law:** This Instrument, as to which time shall be of the essence, shall be governed and construed in accordance with the law of Hong Kong.
- 10.2 **Jurisdiction:** The Bondholders shall be entitled to take any legal action or proceedings arising out of or in connection with this Instrument and/or the Bonds in such courts. Proceedings in any other court of competent jurisdictions, and the taking of proceedings in any other jurisdiction (whether concurrently or not).

IN WITNESS WHEREOF this Instrument has been executed as a deed poll on the date specified above.

The Issuer

The Common Seal of)
DESON DEVELOPMENT)
INTERNATIONAL HOLDINGS LIMITED)
Is hereunto affixed)
in the presence of:)

Signature of authorised person

Signature of witness
Name:

SCHEDULE 1

BOND CERTIFICATE AND TERMS AND CONDITIONS BOND CERTIFICATE

Certificate No.: []

Principal Amount: HK\$[]

DESON DEVELOPMENT INTERNATIONAL HOLDINGS LIMITED
(incorporated under the laws of Bermuda with limited liability)
(Stock Code: 262)

10% COUPON BONDS DUE 2024

The Bonds in respect of which this Bond Certificate is issued, the certificate number of which is noted above, are in registered form and in the principal amount of HK\$[] bearing an annual interest rate of 10% (the “**Bonds**”) issued by Deson Development International Holdings Limited (the “**Issuer**”), and constituted by this Bond Certificate and the instrument dated 2022 (the “**Bond Instrument**”) executed by the Issuer (the terms and conditions of which are referred to as the “**Terms and Conditions**”). The Bonds are subject to, and have the benefit of, this Bond Certificate and the Bond Instrument (including the Terms and Conditions), which are enforceable by the Bondholder against the Issuer insofar as the Bonds of each Bondholder are concerned. The Bond Instrument (together with any instruments supplemental thereto) and copies of the bye-laws of the Issuer are available for inspection by the Bondholder at the principal place of business in Hong Kong of the Issuer from time to time.

The Bondholder will be deemed to have notice of all the provisions contained in the Bond Instrument (and any instruments supplemental thereto) and the Terms and Conditions, and may obtain copies thereof upon written request to the Issuer.

The Issuer hereby certifies that the Person whose name and address is specified below is, at the date hereof, entered in the register of Bondholder as the holder of the Bonds in the principal amount indicated below:

Folio	Bondholder, address and account details	Principal amount of Bonds	Date of issue
1	[] Account No.:		

This Bond Certificate is evidence of entitlement only. Title to the Bonds passes only on due registration on the register of Bondholders of the Issuer and only the duly registered holder is entitled to payments on the Bonds in respect of which this Bond Certificate is issued.

The Bonds in respect of which this Bond Certificate is issued are non-transferable and non-assignable unless with the prior written consent of the Issuer. The Terms and Conditions are deemed to be incorporated by reference to this Bond Certificate.

This Bond Certificate shall not be valid for any purpose until signed by or on behalf of the Issuer. This Bond Certificate is governed by and shall be construed in accordance with the Laws of the Hong Kong Special Administrative Region of the People's Republic of China.

NO TRANSFER OF THE WHOLE OR ANY PART OF THE BOND(S) REPRESENTED BY THIS BOND CERTIFICATE WILL BE REGISTERED UNLESS ACCOMPANIED BY THIS BOND CERTIFICATE. NO TRANSFER OF TITLE OF THE BONDS WILL BE EFFECTIVE UNLESS AND UNTIL SUCH TRANSFER IS ENTERED INTO THE REGISTER OF THE BONDHOLDERS.

GIVEN under the common seal of **DESON DEVELOPMENT INTERNATIONAL HOLDINGS LIMITED** this day of 2022.

Name of Director:
Director

Name of Director/Secretary:
Director/Secretary

TERMS AND CONDITIONS

The bonds in the aggregate amount of HK\$20,000,000 bearing an annual interest rate of 10% (the “**Bonds**”, such expression shall mean those of the Bonds which shall for the time being outstanding or, as the context may require, any number of them) due on the Maturity Date of Deson Development International Holdings Limited (the “**Issuer**”) are issued in accordance with the terms and subject to the conditions contained herein (the “**Terms and Conditions**”). The issue of the Bonds was authorised by a resolution of the board of directors of the Issuer. The Bonds are constituted by a deed poll (the “**Bond Instrument**”, such expression shall include amendments and modifications from time to time made thereto) dated [*] 2022 executed by the Issuer. The statements in these Terms and Conditions include summaries of, and are subject to, the detailed provisions of the Bond Instrument. Copies of the Bond Instrument are available for inspection by Bondholders at the principal place of business in Hong Kong of the Issuer from time to time. The Bondholders are entitled to the benefit of the Bond Instrument and are bound by, and are deemed to have notice of, all the provisions of the Bond Instrument.

1. DEFINITIONS AND INTERPRETATION

1.1 In these Terms and Conditions, the following expressions shall have the following meanings:

Bondholder(s) means the Person(s) in whose name the Bond(s) is registered.

Business Day means a day on which banks in Hong Kong are generally open for business (other than Saturday, Sunday, a public holiday, or a day on which banks do not open for business owing to a tropical cyclone warning signal number 8 or above or a “black” rainstorm warning signal being in force in Hong Kong).

EOD Notice has the meaning set of in Condition 18.1.

Default means an Event of Default or an event which, with the giving of notice or lapse of time would constitute an Event of Default.

Event of Default has the meaning given to it under Condition 18.1.

Group means the Issuer and its subsidiaries, and the expression “**member of the Group**” shall be construed accordingly.

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

Hong Kong means the Hong Kong Special Administrative Region of the PRC.

Issue Date means 2022, the date on which the Bonds are issued.

Listing Rules means the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited, as modified, supplemented or amended from time to time.

Material Adverse Effect means a material adverse effect on the business, operations, assets, liabilities, condition (financial or otherwise) or prospects of any member of the Group determined by the Purchaser(s) at its sole and absolute discretion.

Maturity Date means the second (2nd) anniversary of the date of issuance of the Bonds (or if that is not a Business Day, the last Business Day there before), subject to an extension as agreed in writing between the Bondholder and the Issuer pursuant to Condition 11.

outstanding means in relation to the Bonds, all the Bonds issued other than:

- (a) those of which have been redeemed or cancelled in accordance with the Terms and Conditions;
- (b) those which have been void;
- (c) those mutilated or defaced Bonds which have been surrendered in exchange for replacement Bonds pursuant to Condition 16; and
- (d) (for the purpose only of determining how many Bonds are outstanding and without prejudice to their statute for any other purpose) those Bond alleged to have been lost, stolen or destroyed and in respect of which replacement Bonds have been issued pursuant to Condition 16.

Redemption Date has the meaning ascribed to it in Condition 12.2.

Redemption Price has the meaning ascribed to it in Condition 12.3.

Redemption Notice has the meaning ascribed to it in Condition 12.4.

Register means the register of Bondholders required to be maintained pursuant to Condition 6.

Stock Exchange means The Stock Exchange of Hong Kong Limited.

taxation means all forms of taxation, including taxation in Hong Kong and in any territory outside Hong Kong and all forms of profits tax (income tax), interest tax, value added tax, stamp duty and all levies, imposts, duties, charges, fees, deductions and withholdings whatsoever charged or imposed by any statutory, governmental, state, federal, provincial, local or municipal authority whatsoever whether on or in respect of profits, income, revenue, sales, trading, the use, ownership or licensing to or from any person of tangible or intangible assets and the carrying on of other activities, including any fines, interests or other payments relating to taxes, the loss of relief and exception from and the loss of right of repayment or credit of any tax already paid and the expression “tax” shall be construed accordingly.

1.2 References in these Terms and Conditions to:

- (a) any references to the “actual knowledge” of Issuer shall refer only to the actual knowledge of the directors of the Issuer, and shall not be construed to refer to the knowledge of any other officer, agent or employee of the Issuer or any

Affiliate of the Issuer or to impose upon the Issuer or the directors of the Issuer any duty to investigate the matter to which such actual knowledge, or the absence thereof, pertains;

- (b) costs, charges, remuneration and expenses shall include any value added tax, turnover tax or similar tax charged in respect thereof;
- (c) any reference to an obligation to be performed or warranty to be given by more than one person it shall be deemed to be performed or given by the persons jointly and severally;
- (d) words denoting the singular number only shall include the plural number also and vice versa;
- (e) words denoting on gender only shall include the other genders;
- (f) words denoting persons only shall include forms and corporations and vice versa;
- (g) time of a day are to Hong Kong time; and
- (h) any provisions of any statutory and non-statutory provision (including the Listing Rules and the Hong Kong Financial Accounting Standards) shall be deemed also to refer to any modification and re-enactment thereof or any instrument, order or regulation made thereunder or under such medication or re-enactment.

1.3 Headings shall be ignored in construing these Terms and Conditions.

2. FORM

The Bonds are issued in the specified denomination of HK\$1,000,000. A Bond Certificate will be issued to each Bondholder in respect of its registered holding of the Bonds. Each Bond and each Bond Certificate will be numbered serially with an identifying number which will be recorded on the relevant Bond Certificate and in the Register kept by or on behalf of the Issuer. The Bond Certificate is evidence of entitlement only. Title to the Bonds passes only on due registration on the Register and only the duly registered holder is entitled to payments on the Bonds in respect of which this Bond Certificate is issued.

3. TITLE

Title to the Bonds passes only by registration in the Register. The holder of the Bonds whose name is entered in the Register will (save 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 or any entry on the Register) and no person will be liable for so treating the holder or any entry on the Register.

4. STATUS

The Bonds constitute direct, unconditional, unsecured and unsubordinated obligations of the Issuer and shall at all times rank *pari passu* and without any preference among themselves. The payment obligations of the Issuer under the Bonds shall, save for such exceptions as may be provided by applicable laws, at all times rank at least equally with all its other present and future direct, unconditional and unsubordinated obligations. No application has been or will be made for a listing of the Bonds on the Stock Exchange or any other stock exchange.

5. VOTING RIGHTS

The Bondholder shall not be entitled to attend or vote at any meetings of the shareholders of the Issuer by reason only it being a Bondholder.

6. REGISTER

The Issuer shall maintain and keep a full and complete register in respect of the Bonds (“**Register**”) at its office, on which the names and addresses of the Bondholders and the particulars of the Bonds held by them and of all transfers of the Bonds shall be entered. The Register shall contain details of cancellation and destruction of the Bonds and the issue of any replacement Bonds issued in substitution for any mutilated, defaced, lost, stolen or destroyed Bonds and of sufficient identification details of the Bondholders from time to time. The Issuer shall further procure that the Register shall be made available to the Bondholders for inspection at the Issuer's office.

7. ISSUE OF BOND CERTIFICATES

7.1 On issue of the Bonds, the Bondholders will be entitled to definitive Bond Certificate(s) (together with these Terms and Conditions). Upon a transfer of the Bonds, which prior written consent of the Issuer must be obtained, the Issuer will issue new definitive Bond Certificate(s) for the transferor or transferee Bondholder(s) pursuant to Condition 8.4.

7.2 The definitive Bond Certificate(s) will be signed manually by a director of the Issuer.

7.3 Issue and delivery of the Bonds, shall be completed on the issue and delivery of the Bond Certificate(s) to the Bondholder (or its representative) by, or by the order of, the Issuer and completion of the Register by or on behalf of the Issuer. The Issuer will pay any stamp, issue, registration, documentary or other similar taxes and duties, including interest and penalties, payable in respect of the creation and original issue of the Bonds.

7.4 The Issuer hereby covenants to and with the Bondholder that it shall comply with and perform and observe all the provisions of these Terms and Conditions. The Terms and Conditions shall be binding on the Issuer and the Bondholder.

8. TRANSFERS OF BONDS

8.1 No transfer of Bonds

The Bonds are not transferable and no assignment or transfer (whether in whole or in part) of the Bonds may be made by the Bondholders unless with the prior written consent of the Issuer. The Bonds may be transferred in whole or in part (in whole multiples of HK\$1,000,000) of outstanding principal amount and the Issuer shall facilitate and bear the costs of any such transfer of the Bonds.

8.2 Transfer form

A transfer of the Bonds shall be effected by completing and signing, by both the transferor and the transferee under the hand of one of their officers duly authorised in writing or otherwise by a duly authorised person thereof, a form of transfer substantially in the form set out in Annexure I to these Terms and Conditions, which may be obtained at the Issuer's office.

8.3 Registration

- (a) The Bond Certificate must be delivered for registration during normal business hours (Monday to Friday, 9:00 a.m. to 5:00 p.m.) at the Issuer's office accompanied by:
 - (i) a duly executed transfer form (which is available at the Issuer's office); and
 - (ii) in case of the execution of the transfer form on behalf of a corporation by its officers, the authority of that person or those persons to do so.
- (b) The Issuer shall, within three (3) Business Days of receipt of such documents from the Bondholder, cancel the existing Bond Certificate and issue new Bond Certificate(s) in favour of the transferee or the transferor as applicable.

8.4 Delivery of new Bond Certificates

- (a) The Bond Certificate(s) to be issued upon a transfer of Bonds will, within three (3) Business Days of receipt by the Issuer of the form of transfer accompanied by the documents referred to in Condition 8.3, be made available for personal collection by the transferee entitled to the Bonds during normal business hours (Monday to Friday, 9:00 a.m. to 5:00 p.m.) at the Issuer's office and upon production of such identification papers as may be reasonably requested by the Issuer.
- (b) Where some but not all the amount of the Bonds in respect of which a Bond Certificate is issued are to be transferred, a new Bond Certificate in respect of the Bonds not so transferred, together with a copy of the updated Register certified as a true and complete copy of the same by a director of the Issuer, within three (3) Business Days of delivery of the original Bond Certificate to the Issuer, be made available for collection by such transferor during normal business hours (Monday to Friday, 9:00 a.m. to 5:00 p.m.) at the Issuer's office

upon production of such identification papers as may be reasonably requested by the Issuer.

8.5 Formalities free of charge

Registration of transfer of Bonds will be effected without charge by or on behalf of the Issuer.

8.6 Creation of Security

The Bondholder shall not, unless with the prior written consent of the Issuer, create or attempt or agree to create or permit to arise or exist any Encumbrance over all or any part of the Bonds or any interest therein or any restriction on the ability to transfer or realise any Bond.

9. PRINCIPAL AND INTEREST

9.1 Each Bond shall bear interest on the actual outstanding principal amount of such Bonds at 10% per annum for each day from the Issue Date (and inclusive of both the dates of beginning and the end of the period), which, subject as provided herein, will be payable by the Company in arrears on (a) the last day of each quarter (i.e. 31 March, 30 June, 30 September and 31 December) (and if such day is not a Business Day, the Business Day immediately following) (the “**Interest Payment Date**”) until redeemed or matured; and (b) on the Maturity Date or the Redemption Date (as the case may be).

9.2 Upon redemption or maturity of Bonds, the Company shall pay (i) interest on the outstanding principal amount of the Bonds for the period from the last Interest Payment Date up to the Redemption Date or the Maturity Date (as the case may be); and (ii) the outstanding principal amount of the Bonds

9.3 The interest of the Bonds at 10% annum will continue to accrue until payment of the full amount is made by or on behalf of the Company or is received by or on behalf of the relevant Bondholder, whichever is later.

10. PAYMENTS

10.1 Method of payment

Any payment payable under the Bonds which would otherwise be due on a non-Business Day shall instead be due and payable on the immediately succeeding Business Day. All payments (comprising principal and interests accrued thereon) will be made net of any applicable bank charges by transfer in Hong Kong dollars to the registered account or such bank account nominated in writing of the Bondholder to the Issuer at least three (3) Business Days before the Interest Payment Date, the Maturity Date or the Redemption Date (as the case may be).

10.2 Payment

All payments (comprising principal and interests accrued thereon) by the Issuer pursuant to these Terms and Conditions shall be received by the Bondholder not later than 4:00 p.m. Hong Kong time on the Interest Payment Date, the Maturity Date or the Redemption Date (as the case may be), by remittance to such Hong Kong dollars bank account in Hong Kong as the Bondholder may notify the Issuer from time to time but in any event at least two (2) Business Days prior to the due date or, if the Bondholder so requests, by cashier's order mailed to the Bondholder's registered address or by other cleared funds.

10.3 Registered Accounts and Addresses

For the purposes of this Condition, the Bondholder's registered account means the Hong Kong dollar account maintained by or on behalf of it with a bank in Hong Kong, details of which appear on the Register at the close of business on the Business Day immediately preceding the due date for payment, and the Bondholder's registered address means its address appearing on the Register at that time.

10.4 Payment Initiation

Where payment is to be made by transfer to a registered account, payment instructions (for value the due date or, if that is not a Business Day, for value the first following day which is a Business Day) will be given and, where payment is to be made by cashiers order, the cashiers order will be mailed on the due day for payment or, in the case of a payment of principal and premium (if any), if later, on the Business Day on which the relevant Bond Certificate is surrendered at the principal place of business in Hong Kong of the Issuer from time to time.

10.5 Partial payment

If the amount of principal being paid upon surrender of the relevant Bond Certificate is less than the outstanding principal amount of such Certificate, the Register will be annotated with the amount of principal so paid and will (if so requested in writing by the Issuer or a Bondholder) issue a new Certificate with a principal amount equal to the remaining unpaid outstanding principal amount. If the amount of interest being paid is less than the amount then due, the Register will be annotated with the amount of interest so paid.

10.6 Delay in payment

The Bondholder will not be entitled to any interest or other payment for any delay after the due date in receiving the amount due on a Bond if the due date is not a Business Day, if the Bondholder is late in surrendering or cannot surrender its Bond Certificate (if required to do so).

10.7 Fiscal laws

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives in the place of payment, and except as provided in Condition 15 (Taxation) below, no additional amounts will be payable as a result of the withholding or deduction of any taxes or duties of which nature imposed or levied as a result of such laws,

regulations or directives. No commissions or expenses shall be charged to the Bondholder in respect of such payments.

11. MATURITY

Unless previously redeemed in accordance with these Terms and Conditions, the Bonds shall be redeemed at 100% of its principal amount plus accrued but unpaid interest on the Maturity Date, provided that the maturity date may be extended to one calendar after the Maturity Date upon written request delivered by the Issuer to the Bondholder not more than 60 calendar days and not less than 30 calendar days prior to the Maturity Date, subject to the Bondholder's written consent.

12. REDEMPTION

12.1 Unless an Event of Default occurs and is continuing which cannot be remedied under Condition 18, the Bonds will be redeemed at their principal amount on the Maturity Date.

12.2 The Issuer may subject to the provisions set out in this Condition 12, redeem any of the Bonds in whole or in part in the denomination of HK\$1,000,000 or integral multiples thereof on any date falling more than 12 months after the Issue Date (the “**Redemption Date**”) but prior to the Maturity Date at the Redemption Price.

12.3 “**Redemption Price**” means 100% of the principal amount of the Bonds to be redeemed plus accrued and unpaid interest up to, and including, the Redemption Date.

12.4 To exercise this right of redemption pursuant to this Condition 12, the Issuer must deliver a notice (the “**Redemption Notice**”) to the Bondholder no less than 30 calendar days immediately preceding the Redemption Date. Each Redemption Notice shall state:

- (a) the certificate number(s) of the Bonds to be delivered for redemption and the principal amount to be redeemed;
- (b) the Redemption Date;
- (c) the Redemption Price; and
- (d) that the Bonds are to be redeemed by the Issuer pursuant to this Condition 12,

A Redemption Notice, once delivered, shall be irrevocable and the Issuer shall redeem the Bonds the subject of the Redemption Notice delivered as aforesaid on the Redemption Date. The Bonds shall be redeemed under this Condition 12 by way of payment into the Bondholder's bank account specified on the Bond Certificate.

12.5 On the Redemption Date, upon the Redemption Price has been unconditionally and irrevocably received by the Bondholder in full, the Bondholder shall deliver to the Issuer the Bond Certificate in respect of the Bond which is the subject of the redemption in accordance with this Condition 12 for cancellation (such cancellation shall take place

within three (3) Business Days from the Redemption Date). Where some but not all the amount of the Bonds in respect of which a Bond Certificate is issued are to be redeemed pursuant to this Condition 12, a new Bond Certificate in respect of the Bonds not so redeemed, together with a copy of the updated Register certified as a true and complete copy of the same by a director of the Issuer, within three (3) Business Days from the Redemption Date, be made available for collection by such holder during normal business hours (Monday to Friday, 9:00 a.m. to 5:00 p.m.) at the Issuer's office upon production of such identification papers as may be reasonably requested by the Issuer or shall, at the election of the relevant Bondholder be delivered to the address of such Bondholder as recorded in the Register by registered mail at the risk of the relevant Bondholder.

- 12.6** Any reasonable and necessary expenses and costs and any applicable taxes directly or indirectly arising out of, relating to, connected with or incidental to the redemption of the Bonds contemplated under these Terms and Conditions shall be borne by the Issuer.

13. REDEMPTION AND CANCELLATION

Any amount(s) of the Bonds which is redeemed will forthwith be cancelled and the Bond Certificate(s) in respect of such amount(s) of the Bonds cancelled will be forwarded to or to the order of the Issuer and such Bonds may not be reissued or resold.

14. COVENANTS

The Issuer covenants to the Bondholder that for so long as the Bonds remain outstanding, the Issuer shall, unless with the written consent of the Bondholder:

- (a) maintain its existence as a company incorporated under the laws of Bermuda;
- (b) give notice to the Bondholders in accordance with Condition 17 (*Notice*) as soon as practicable after it effects any change of its financial year;
- (c) notify the Bondholders of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence;
- (d) not enter into any deed, agreement, assignment, instrument or documents whatsoever which may result in any breach of the Terms and Conditions of the Bonds;
- (e) conduct, and procure that the Group will conduct, their respective businesses in compliance with all applicable laws and their respective constitutional documents in all material aspects, and in the ordinary course of its business; and
- (f) obtain and maintain, and procure that the Group obtains and maintains, in full force and effect all permits, approvals and registrations and make all disclosures, notifications and filings necessary or desirable for the operation of their respective business as currently conducted.

15. TAXATION

- 15.1** The Issuer shall be entitled to withhold from all payments of principal, interest or premium (if any) by the Issuer any amounts required to be withheld under the applicable law, rule and regulations for or on account of any present or future taxes, duties, assessments or governmental charges of whatever nature (including without limitation, deduction or withholding on account of taxation on the overall turnover, income, taxation income or capital gain of the Bondholder imposed or levied by or on behalf of Hong Kong or other jurisdiction or any authority thereof or therein having the power to tax). If the Issuer is so required to make such withholdings or deductions, payment of the net amount after such deduction or withholdings to the Bondholder will constitute full discharge of the Issuer's obligations to make such payments.
- 15.2** References in these Terms and Conditions to principal, interest and premium (if any) shall be deemed also to refer to any additional amounts which may be payable under this Condition or any undertaking or covenant given in addition thereto or in substitution thereof pursuant to the Bond Instrument.

16. REPLACEMENT OF BOND CERTIFICATES

If any Bond Certificate is mutilated, defaced, destroyed, stolen or lost, it may be replaced at the Issuer 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 and on payment of such fee, not exceeding HK\$100, as the Issuer may determine. Mutilated or defaced Bond Certificates must be surrendered before replacements will be issued.

17. NOTICES

- 17.1** The Bondholder shall register with the Issuer an address either in Hong Kong or elsewhere to which notices may be sent and if the Bondholder shall fail to do so, notice may be given to the Bondholder by sending the same in any of the manners hereinafter mentioned to his last known place of business or residence or, if there be none, by posting up the same for three (3) days at the Issuer's office for the time being of the Issuer.
- 17.2** A notice to the Bondholder shall be given by personal delivery, prepaid registered mail (registered airmail in the case of an overseas address to where airmail service is available).
- 17.3** Notices sent by personal delivery or prepaid registered mail or the posting of the same at the Issuer's office as provided by Condition 17.1 shall be deemed to have been served on the third day after such delivery or the deposit of the letter with postal authorities or in a postbox or, as the case may be, the third day after the first posting up of such notice.
- 17.4** All notices to the Issuer shall be validly given if mailed to them at its address in the Register.

18. EVENTS OF DEFAULT

18.1 Any Bondholder may give notice to the Issuer (“**EOD Notice**”) that the Bonds are immediately due and repayable if any of the following events occurs (each an “**Event of Default**”):

- (a) **Payment default:** a failure to pay principal, interest, premium (if any) or any other amount in respect of any of the Bonds by the Interest Payment Date, the Maturity Date or the Redemption Date (as the case may be) for such payment in the manner specified in these Terms and Conditions; or
- (b) **Dissolution and disposals:** a resolution is passed or an order of a court of competent jurisdiction is made that the Issuer be wound up or dissolved or the Issuer disposes of all or substantially all of its assets, other than, in any such case, for the purposes of or pursuant to and followed by a consolidation, amalgamation, merger or reorganisation; or
- (c) **Distress etc.:** a distress, execution or seizure before judgment is levied or enforced upon or sued out against a material part of the assets of the Issuer and is not discharged within thirty (30) days thereof; or
- (d) **Liquidation/Bankruptcy:** the Issuer is unable to pay its or his debts as and when they fall due or the Issuer shall initiate or consent to proceedings relating to itself or himself under any applicable bankruptcy, liquidation, reorganisation or insolvency law or make an assignment for the benefit of, or enter into any composition with, its creditors; or
- (e) **Bankruptcy proceedings:** proceedings shall have been initiated against the Issuer under any applicable bankruptcy, liquidation, reorganisation or insolvency law and such proceedings shall not have been discharged or stayed within a period of thirty (30) days; or
- (f) **Material adverse change:** in any case where the Bondholder, in its sole discretion, considers that there occurs any change which has or would reasonably be expected to have a Material Adverse Effect; or
- (g) **Material breach of Listing Rules:** any breach of the Listing Rules by a controlling shareholder (as defined in the Listing Rules), director or senior management of the Issuer, or any investigation of Stock Exchange or any regulatory authority has been commenced, or are pending, against any of the controlling shareholder (as defined in the Listing Rules), director or senior management of the Issuer, which, if adversely determined, could reasonably be expected to have a Material Adverse Effect;
- (h) **Suspension of trading:** the Issuer's shares are suspended from trading on The Stock Exchange of Hong Kong Limited for more than 15 consecutive days (excluding a suspension pursuant to chapters 14 and 14A of the Listing Rules and The Codes on Takeovers and Mergers and Share Repurchases published by the Securities and Futures Commission of Hong Kong); or

- (i) **De-listing:** any of the Issuer's shares that have been listed on the Hong Kong Stock Exchange cease to be listed on such exchange for any reason whatsoever.

18.2 Upon any EOD Notice being given to the Issuer, the Bonds will immediately become due and repayable on the fifth (5th) Business Day after the service of such EOD Notice of Repayment.

19. INTERESTS OF BONDHOLDER

In connection with the exercise of its functions (including but not limited to those in relation to any proposed modification or waiver) the Issuer shall have regard to the interests of the Bondholder as a class and shall not have regard to the consequences of such exercise for individual Bondholder and the Issuer shall not be entitled to require, nor shall any Bondholder be entitled to claim, from the Issuer any indemnification or payment in respect of any tax consequences of any such exercise upon individual Bondholder.

20. CURRENCY INDEMNITY

20.1 Hong Kong dollars (the **Contractual Currency**) is the sole currency of account and payment for all sums payable by the Issuer under or in connection with these Terms and Conditions.

20.2 Any amount received or recovered in a currency other than the Contractual Currency (whether as a result of, or of the enforcement of, a judgment or order of a court of any jurisdiction, in the winding-up or dissolution of the Issuer or otherwise), by a Bondholder in respect of any sum expressed to be due to it from the Issuer will only discharge the Issuer to the extent of the Contractual Currency amount which the recipient is able to purchase with the amount so received or recovered in that other currency on the date of that receipt or recovery (or, if it is not practicable to make that purchase on that date, on the first date on which it is practicable to do so).

20.3 If that Contractual Currency amount received or recovered under Condition 20.2 is less than the Contractual Currency amount expressed to be due to the Bondholder under these Terms and Conditions, the Issuer will indemnify the Bondholder against any loss sustained by the Bondholder as a result. In any event, the Issuer will indemnify the Bondholder against the cost of making any such purchase. The indemnity in this Condition 20.3 constitutes separate and independent obligations from the other obligations in these Terms and Conditions, will give rise to separate and independent causes of action, will apply irrespective of any indulgence granted by the Bondholder.

21. MODIFICATION AND WAIVER

21.1 Any modification to the Bond Instrument or the Terms and Conditions may be effected only by deed poll, executed by the Issuer and expressed to be supplemental hereto, and only if it shall first have been approved in writing by the Bondholder unless such

modification occurs automatically according to the terms of the Bond Instrument or the Terms and Conditions.

- 21.2 A memorandum of every such supplemental deed shall be endorsed on the Terms and Conditions.
- 21.3 Notice of every modification to the Terms and Conditions shall be given to the Bondholders as soon as reasonably practicable.
- 21.4 No failure or delay by the parties in exercising any right, power or remedy under these Terms and Conditions shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. Without limiting the foregoing, no waiver by one party of any breach by the other party of any provision hereof shall be deemed to be a waiver of any subsequent breach of that or any other provision hereof and any forbearance or delay by the party in exercising any of its rights hereunder shall not be construed as a waiver thereof. If at any time any provision of these Terms and Conditions is or becomes illegal, invalid or unenforceable in any respect, the legality, validity and enforceability of the remaining provisions of these Terms and Conditions shall not be affected or impaired thereby.

22. FURTHER ISSUE

The Issuer may from time to time with the written consent of each Bondholder create and issue further bonds in excess of the aggregate principal amount of HK\$20,000,000 having terms and conditions the same as those of the Bonds, or the same except for the amount and date of the first payment of interest, which may be consolidated and form a single series with the outstanding Bonds.

23. RIGHTS OF THIRD PARTIES

Except as herein provided, these Terms and Conditions are not intended to and does not give any Person (other than the Bondholder) any right to enforce any provisions of these Terms and Conditions under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong), and a Person (other than the Bondholder) shall not have any right under the said Ordinance to enforce any provisions of these Terms and Conditions.

24. GOVERNING LAW AND JURISDICTION

- 24.1 The Bonds and the Bond Certificate (together with these Terms and Conditions) are governed by and shall be construed in accordance with the laws of Hong Kong.
- 24.2 The courts of Hong Kong are to have exclusive jurisdiction to settle any disputes which may arise out of or in connection with the Bonds and accordingly any legal action or proceedings arising out of or in connection with the Bonds may be brought in such courts. The Bondholder has the right to take proceedings in any court of competent jurisdiction and the taking of proceedings in any one or more jurisdictions shall not

preclude the taking of proceedings in any other jurisdiction (whether concurrently or not).

24.3 The Issuer irrevocably waives, to the extent permitted by applicable law, with respect to itself and its revenues and assets (irrespective of their use or intended use), all immunity on the grounds of sovereignty or other similar grounds from:

- (a) suit;
- (b) jurisdiction of any court;
- (c) relief by way of injunction or order for specific performance or recovery of property;
- (d) attachment of its assets (whether before or after judgment); and
- (e) execution or enforcement of any judgment to which it or its revenue or assets might otherwise be entitled in any proceedings in the courts of any jurisdiction (and irrevocably agrees, to the extent permitted by applicable law, that it will not claim any immunity in any such proceedings).

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ANNEXURE I

FORM OF TRANSFER

DESON DEVELOPMENT INTERNATIONAL HOLDINGS LIMITED

(incorporated under the laws of Bermuda with limited liability)

(Stock Code: 262)

10% COUPON BONDS DUE 2024

Date

Unless otherwise provided, capitalised terms used in this letter have the meanings as set out in the Bond Instrument dated _____ 2022 (as amended, varied, novated, substituted or otherwise modified from time to time) and the bond certificate dated _____ (the “**Bond Certificate**”) together with the terms and conditions attached thereto (the “**Conditions**”).

Limited (“**Transferor**”) hereby transfers to _____ (“**Transferee**”) such Bonds in the principal amount HK\$ _____ in respect of which the Bond Certificate is issued and all rights in respect thereof.

Unless otherwise instructed by the Transferee, all payments in respect of the Bonds hereby transferred are to be made to the following account:

Account Name : _____

Account Number : _____

Name of Bank : _____

SIGNED BY

Name of Transferor : _____ Name of Transferee : _____

Signature of Transferor : _____ Signature of Transferee : _____

: _____ :

Signature of
witness

Signature of
witness

Name of witness :

Name of witness :

Name and title of
Company
representative : _____

Signature of
Company
representative : _____

Signature of witness : _____

Name of witness : _____

Note:

1. *The Bonds are transferable at any time subject to Condition 8 (Transfers of Bonds). Any transfer shall be made in compliance with the requirements of Condition 8 (Transfers of Bonds) as stated in the overleaf of the Bond Certificate.*
2. *A representative of the Bondholder should state the capacity in which he/she/it signs, e.g. director.*
3. *The signature of the person effecting a transfer shall conform to any list of authorised specimen signatures supplied by the registered holder or be certified by a recognised bank, notary public or in such other manner as the Issuer may require.*

ANNEXURE II

EOD NOTICE OF REPAYMENT

TO: **DESON DEVELOPMENT INTERNATIONAL HOLDINGS LIMITED**
(the “**Company**”)
Attention: The Directors

Date:

Unless otherwise specified, capitalised terms used in this letter have the meanings set out in the Bond Instrument dated _____ 2022 and the terms and conditions attached to the Bond Certificate.

We hereby give notice that an Event of Default has occurred.

We, being the registered Bondholder(s) of the Bonds represented by the attached Certificate, hereby give notice that we exercise our option to redeem such Bonds pursuant to Condition 18.1 and require the Company to repay the Redemption Price *together with the interests accrued thereon*, on _____ in accordance with the Conditions.

We require you to pay to us in the manner authorised below the moneys to which we are entitled pursuant to this EOD Notice of Repayment.

We authorise and request you to pay the said sum by telegraphic transfer to our registered bank account(s).

Name of Bondholder:	Date:
.....
Address:	Tel. No:
.....
	Fax No:

Signature:

SCHEDULE 2 OF THE AGREEMENT

Application for subscription of 10% coupon bonds due 2024

Date: [] 2022

Deson Development International Holdings Limited (“Company”)

11th Floor, Nanyang Plaza
57 Hung To Road
Kwun Tong, Kowloon
Hong Kong

Attn.: Board of directors of the Company

Dear Sirs,

Application for subscription of 10% coupon bonds due 2024

I hereby apply for the issue to me the principal amount of **HK\$[]** of the 2-year 10 percent (10%) coupon unlisted and unsecured bonds to be issued by the Company (“**10% Coupon Bonds Due 2024**”), subject to the terms and conditions of the Instrument of the 10% Coupon Bonds Due 2024 (the particulars of which is attached hereto) and undertake to pay, in immediately available funds, the subscription price for such 10% Coupon Bonds Due 2024 at its face value on or before [] 2022.

Please issue certificate of 10% Coupon Bonds Due 2024 to me and insert the particulars to the register of bondholder of the Company as follows:

Name : [] _____

Address : [] _____

For future payment of coupon and principal, please

arrange it to be deposited to my/our Hong Kong dollar bank account as follows:

Name of account holder: [] _____

Name of bank in Hong Kong: [] _____

Account number: [] _____

issue cheque to my/our Custodian (*as defined below*)

(please tick either one of the above boxes)

I have engaged [*] (the “**Custodian**”) as my custodian of the certificate of the 10% Coupon Bonds Due 2024. For future correspondence in respect of the 10% Coupon Bonds Due 2024, including but not limited to repayment, redemption and transfer of the 10% Coupon Bonds Due 2024, and replacement of certificates, please address to me and the Custodian as follows:

Name of Custodian: _____
Address: _____
Contact person: _____
Contact number/fax: _____
Email: _____

I hereby further provide the following details of myself for your reference and information solely for the purpose of my application for subscription of 10% Coupon Bonds Due 2024 and any subsequent events in relation to the 10% Coupon Bonds Due 2024:

Hong Kong identity card number: [] _____
Passport number: [] _____
Address: [] _____
Contact number/fax: [] _____
Email: [] _____

I hereby confirm that, as at the date hereof, I and not a connected person of the Company and is independent of and not connected with any of the directors, chief executive or substantial shareholders of the Company or any of its subsidiaries or any of their respective associates (as defined in the Rules Governing the Listing of Securities on the Stock Exchange of Hong Kong Limited).

Yours faithfully,

_____ []

SCHEDULE 3 OF THE AGREEMENT

The Warranties

General

1. All statements in the recitals are true and correct in all respects.

The Agreement and the Bonds

2. The Company has full power, authority and capacity to enter into and perform this Agreement and this Agreement will, when executed, constitute binding obligations on the Company in accordance with its terms.
3. The creation and issue of the Bonds has been duly authorised by the Company and, when duly executed, authenticated, issued and delivered in accordance with this Agreement, the Bonds will constitute valid and legally binding obligations of the Company against the Company enforceable in accordance with their own terms.
4. All consents, approvals, authorisations, orders, registrations and qualifications of or with any court or governmental agency or body and any other action or thing required to be obtained, taken, fulfilled or done in Hong Kong by the Company for or in connection with the issue of the Bonds and the consummation of the other transactions contemplated by this Agreement have been obtained, taken, fulfilled or done and are in full force and effect.
5. The execution and delivery of this Agreement and the issue of the Bonds and the consummation of the transactions herein and therein contemplated and compliance with the terms hereof and thereof by the Company do not, and will not, at the time of execution and delivery or issue (as the case may be), (i) contravene the bye-laws of the Company in any way; or (ii) infringe any existing applicable law, rule, regulation, judgment, order or decree of any government, governmental body or court, domestic or foreign, having jurisdiction over the Company.
6. Save as previously and publicly disclosed by the Group, there is no litigation, arbitration or other legal proceedings in progress or pending against any member of the Group which, if decided adversely to the relevant member of the Group, would have or have had a material adverse effect on the financial position of the Group (taken as a whole) or the Company and which is material in the context of the Placing.
7. There has been no material adverse change in the financial position of the Group since 31 March 2021, being the latest published financial information of the Group.
8. The Company is not in breach in any material respect in the context of the Placing of any rules, regulations or requirements of the Stock Exchange or any applicable law, decree, judgment, legislation, order, regulation, statute, ordinance, treaty or other legislative measure;

9. All information publicly published by the Group is correct, accurate and not misleading in all material respects;
10. No member of the Group has entered into a material contract or commitment of an unusual or onerous nature which, in the context of the Placing, might be material for disclosure except in the ordinary course of business and each member of the Group has carried on its business in the ordinary and usual course.
11. There are no circumstances as at the date hereof which constitute or may reasonably be expected to result in any Event of Default (as defined in the Instrument) and will continuously be so from the date hereof up to (and including) each date of Completion.

SCHEDULE 4 OF THE AGREEMENT

Completion requirements

Obligations of the Company

1. The Company shall deliver to the Placing Agent:
 - 1.1 a certified copy of the Instrument of Bonds duly executed by the Company; and
 - 1.2 definitive certificate(s) for the Bonds issued in favour of the Placees as procured by the Placing Agent (or as the Placing Agent may otherwise direct) in such denominations as the Placing Agent may have notified the Company, such certificate(s) shall have been duly signed and authenticated in accordance with the terms of the Instrument.

Obligation of the Placing Agent

2. The Placing Agent shall, upon fulfilment by the Company of all of its obligation in this Schedule, settle with the Company in the manner as agreed between the Company and the Placing Agent for the principal amount of the Bonds placed by it after deduction of the placing commission and out-of-pocket charges and expenses properly and reasonably incurred by the Placing Agent in relation to the Placing payable by the Company pursuant to Clause 23 of this Agreement.