

Dated 19 January 2023

**LAPCO HOLDINGS LIMITED**  
(立高控股有限公司)

**SHINY GLORY SERVICES LIMITED**  
(丞美服務有限公司)

**TAM WAI TONG**  
(譚偉棠)

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**SUBSCRIPTION AGREEMENT**  
relating to  
exchangeable bond carrying rights to exchange for  
ordinary shares in  
**SHINY GLORY SERVICES LIMITED**

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THIS AGREEMENT is dated 19 January 2023

**BETWEEN:**

- (1) **LAPCO HOLDINGS LIMITED (立高控股有限公司)**, a company incorporated in the Cayman Islands with limited liability whose registered address is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands, and whose shares are listed on GEM of The Stock Exchange of Hong Kong Limited (stock code: 8472) (the “**Issuer**”)
- (2) **SHINY GLORY SERVICES LIMITED (丞美服務有限公司)**, a company incorporated in Hong Kong with limited liability with registered number 0292804 whose registered office is at Unit No. 301A, 3/F., Tower III, Enterprise Square, No. 9 Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong (the “**Company**”); and
- (3) **TAM WAI TONG (譚偉棠)**, holder of Hong Kong Identity Card number E710420(4) of Flat A1, 2/F-3/F., Silvercrest, No. 75 Nga Tsin Wai Road, Kowloon, Hong Kong (the “**Subscriber**”).

**WHEREAS:**

- (A) The Company is a company incorporated in Hong Kong with limited liability. As at the date hereof, 50,000 Shares have been issued. Further particulars of the Company are set forth in **Schedule 1**.
- (B) The Company is an indirect wholly-owned subsidiary of the Issuer and the Subscriber is a director of the Company.
- (C) As at the date of this Agreement, the Issuer is indebted to the Subscriber in the amount of HK\$20,000,000 (the “**Existing Debt**”). The proceeds from the Existing Debt were utilised as working capital of the Company and was recorded as an intra-group debt due to the Issuer from the Company.
- (D) The parties agree that the Issuer shall issue and the Subscriber shall subscribe the Exchangeable Bond subject to the terms and conditions of this Agreement. It is the intention of the parties that the Company’s obligation to repay the Existing Debt to the Subscriber be automatically and immediately set off in its entirety against the Subscriber’s obligation to pay the full amount of the Consideration to the Issuer under this Agreement upon the issuance of the Exchangeable Bond.

**NOW IT IS HEREBY AGREED** as follows:

**1. Purpose and interpretation**

Words and phrases used in this Agreement shall have the meanings ascribed to them in **Schedule 2** and the provisions of **Schedule 2** shall apply as if set out in full herein.

## **2. Subscription of Exchangeable Bond**

- 2.1 Subject to and in accordance with the provisions of this Agreement, on the Completion Date, the Issuers shall issue to the Subscriber the Exchangeable Bond in a face aggregate amount of HK\$20,000,000.
- 2.2 The Consideration payable by the Subscriber to the Issuer for the subscription of the Exchangeable Bond shall be HK\$20,000,000 which shall be automatically and immediately set off in its entirety against the Company's obligation to repay the Existing Debt to the Subscriber upon Completion.

## **3. Conditions**

- 3.1. Completion is subject to the fulfilment of the following conditions:
- (a) the subscription of the Exchangeable Bond and other transactions as contemplated under this Agreement having been approved by the shareholders of the Issuer at the EGM; and
  - (b) all necessary consents, approvals, registration and filings required from all relevant governmental, regulatory and other authorities, agencies and departments in Hong Kong or elsewhere or otherwise required from any third parties in connection with the transaction contemplated under this Agreement having been obtained.
- 3.2. Each of the Subscriber, the Issuer and the Company shall make all reasonable efforts to achieve satisfaction of each condition set out in Clause 3.1 as soon as possible and in any event on or before the Long Stop Date.
- 3.3. The conditions set out in Clause 3.1 are not capable of being waived by any Party.
- 3.4. If any of the Conditions shall not have been fulfilled by 5:00 p.m. on the Long Stop Date, all rights and obligations of the parties hereunder shall cease and terminate, save and except Clauses 11, 13 and 15 which provisions shall remain in full force and effect and no Party shall have any claim against the others save for claim (if any) in respect of any antecedent breach thereof.

## **4. Completion**

- 4.1. Subject to the satisfaction of the conditions under Clause 3.1, Completion shall take place on the Completion Date at such place and at such time as the parties hereto may agree.
- 4.2. At Completion, the Subscriber shall deliver the duly signed resignation letter(s) of the Subscriber resigning from any and all directorship of the subsidiaries of the Issuer save for the Company and the Issuer shall deliver to the Subscriber the duly executed Exchangeable Bond in the name of the Subscriber and reflecting the issuance of the Exchangeable Bond to the Subscriber in a face aggregate amount of HK\$20,000,000.

4.3. If the Issuer shall not have complied with its obligation set out in Clause 4.2, the Subscriber shall not be obliged to complete this Agreement or perform any obligations hereunder.

## **5. Maturity, redemption and exchange**

5.1 Matters relating to or in connection with the maturity, redemption, transfer and exchange of the Exchangeable Bond shall be governed by the terms and conditions set forth therein.

5.2 The parties agree that upon the exercise of the exchange right of the Exchangeable bond by the Subscriber or any of his nominee(s), the Issuer shall procure the relevant member of the Group to waive and discharge any and all repayment obligations of the Company arising out of or related to any intra-Group loans payable by the Company.

## **6. Reserved matters**

6.1 Except for business operation and/or obtaining financing from banks in the ordinary course of business of the Company or pursuant to any provision of the Documents, the Issuer shall procure that none of the following activities or transactions shall be undertaken by the Company without the prior written consent of the Subscriber:

- (a) conduct any reduction, alteration or reconstitution of or to its share capital or any rights attached thereto, or enter into any arrangement with its creditors;
- (b) creation of any Encumbrance on any assets of the Company with an aggregate book value of more than 75% of the total consolidated assets of the Company as shown by its most recent audited financial statements;
- (c) disposal of any substantial assets of the Company with an aggregate book value of more than 50% of the total consolidated assets of the Company as shown by its most recent audited financial statements;
- (d) incur Financial Indebtedness of the Company in excess of in aggregate 100% of the total consolidated assets of the Company as shown by its most recent audited financial statements;
- (e) enter into any new business not related to the Business or cessation of any existing Business or otherwise materially change the nature and/or scale of the Business;
- (f) alter any of the provisions of its articles of association or equivalent documents or pass a resolution that it be wound up or take any other actions for it to be wound up, including any voluntary proceeding seeking liquidation, administration or any reorganisation with a similar effect;
- (g) give any guarantee, indemnity or security in respect of the obligations of any third party other than in the ordinary course of business; and
- (h) enter into any contract or transaction with any Person which is not in normal

commercial terms nor entered into on arms-length basis.

- 6.2 Except for business operation and/or obtaining financing from banks in the ordinary course of business of the Company or pursuant to any provision of the Documents, the Issuer shall procure the Company not to incur any debt or enter into any debt instruments or arrangement with creditors that grants such creditors rights in priority to the Exchangeable Bond without the prior written consent of the Subscriber.

## **7. Dividend and capital return rights**

The Subscriber shall not be entitled to any dividends, distributions and capital returns which may be declared, made or paid by the Company from time to time prior to the exchange of the entire outstanding principal amount of the Exchangeable Bond.

## **8. Termination**

- 8.1 This Agreement shall terminate and (subject to Clause 8.2 and 8.3) cease to be of any force and effect forthwith upon the earlier of (a) the Subscriber (or his successors or permitted assigns) ceasing to hold the Exchangeable Bond or any Shares issuable upon exchange thereof; or (b) under the provisions of this Agreement.

- 8.2 If this Agreement is terminated by virtue of Clause 8.1, none of the Parties shall have any claim under this Agreement subject to Clause 8.3.

- 8.3 The termination of this Agreement shall be without prejudice to any obligations or rights of any of the Parties which have accrued prior to such termination or cessation and shall not affect any provision of this Agreement which is expressly or by implication provided to come into effect on or to continue in effect after such termination or cessation.

## **9. Successors and assignment**

None of the Parties shall assign this Agreement or any of its rights or duties hereunder to any Person unless otherwise agreed with all the other Parties in writing. This Agreement shall enure to the benefit of and be binding upon the successors and assigns of any Parties.

## **10. Further assurances**

Each Party shall execute or, so far as it is able, procure that any necessary third party shall execute all such documents and/or do or, so far as it is able, procure the doing of such acts and things to give effect to this Agreement, the other Documents and any documents entered into pursuant to it or them.

## **11. Costs and Expenses**

- 11.1 Except as otherwise provided in this Agreement, each of the Parties shall be responsible for its respective legal and other costs incurred in relation to the negotiation, preparation and completion of this Agreement, the other Documents and all ancillary documents.

11.2 Any stamp duty, capital duty, fees or expenses payable in connection with the issue, redemption and/or exchange of the Exchangeable Bond pursuant to this Agreement shall be borne by the Subscriber.

## 12. Entire Agreement

This Agreement, together with the other Documents and any documents referred to herein and therein, or expressed to be entered into in connection herewith and therewith, constitute the entire agreement of the Parties concerning the subject matter of this Agreement. In the event of any conflict, ambiguity or discrepancy between the provisions of this Agreement and the other Documents, the terms of this Agreement shall prevail.

## 13. Notices

13.1 Any notice or other communication under or in connection with this Agreement shall be in writing in the English language and shall be delivered personally, or sent by prepaid mail, recorded delivery or registered post (or air-mail if overseas) or by fax, or by email, to the Party due to receive the notice or communication at its address and any fax number or email address set out below (or such other address as a Party may specify by notice in writing to the others):

### **The Issuer:**

Address: Unit No. 301A, 3/F., Tower III, Enterprise Square, No. 9  
Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong  
Fax number: +852 2758 8666  
Attention to: The board of directors

### **The Subscriber**

Address: Flat A1, 2/F-3/F., Silvercrest, No. 75 Nga Tsin Wai Road,  
Kowloon, Hong Kong  
Attention to: Mr. Tam Wai Tong

### **The Company**

Address: Unit No. 301A, 3/F., Tower III, Enterprise Square, No. 9  
Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong  
Fax number: +852 2758 8666  
Attention to: The board of directors

13.2 In the absence of evidence of earlier receipt, any notice or other communication shall be deemed to have been duly given:

(a) if delivered personally, when left at the address referred to above;

- (b) if sent by mail (other than air-mail), recorded delivery or registered post, two (2) Business Days after it was posted;
- (c) if sent by air-mail, six (6) Business Days after it was posted;
- (d) if sent by fax, on completion of its transmission; and
- (e) if sent by email, unless the party sending the email knows or reasonably ought to suspect that the email and the attached communication were not delivered to the addressee's domain specified in the email address notified for the purposes of this Clause 13, 24 hours after the email was sent,

provided that if, under the above provisions, any such notice would otherwise be deemed to be given after 5:00 p.m. (local time) on a Business Day, such notice shall be deemed to be given at 9:00 a.m. (local time) on the next Business Day.

- 13.3 In proving the giving of a notice under this Clause, it shall be conclusive evidence to prove that it was left at the appropriate address or the envelope containing it was properly addressed and posted or placed in the custody of the postal authorities as a pre-paid mail, recorded delivery or registered post (or air-mail if overseas) or the fax was sent in full to the relevant number or the email was sent in full to the email address of the addressee (as the case may be).

#### **14. General Provisions**

- 14.1 Variation of this Agreement is valid only if it is in writing and signed by or on behalf of each Party.
- 14.2 The failure to exercise or delay in exercising a right or remedy provided by this Agreement or by law does not constitute a waiver of the right or remedy or a waiver of other rights or remedies. No single or partial exercise of a right or remedy provided by this Agreement or by law prevents further exercise of the right or remedy or the exercise of another right or remedy.
- 14.3 The Parties' rights and remedies contained in this Agreement are cumulative and not exclusive of rights or remedies provided by law.
- 14.4 Nothing contained in this Agreement is to be construed as creating a partnership between any of the Parties.
- 14.5 Each provision of this Agreement is severable and distinct from the others. The Parties intend that every such provision shall be and remain valid and enforceable to the fullest extent permitted by law. If any such provision is or at any time becomes to any extent invalid, illegal or unenforceable, in whole or part, under any enactment or rule of law, such provision or part shall to that extent be deemed not to form part of this Agreement but all other provisions of this Agreement shall continue in full force and effect and their validity, legality and enforceability shall not be affected or impaired.

- 14.6 This Agreement may be executed in any number of counterparts each of which when executed and delivered is an original, but all the counterparts together constitute the same document.
- 14.7 Any provision of this Agreement which is capable of being performed after Completion but which has not been performed at or before Completion and all representations and warranties and other undertakings contained in or entered into pursuant to this Agreement shall remain in full force and effect notwithstanding Completion.

## **15. Governing law and jurisdiction**

- 15.1 This Agreement and the documents to be entered into pursuant to it (save as otherwise stated) shall be governed by and construed in accordance with the laws of Hong Kong.
- 15.2 With respect to any question, dispute, suit, action or proceedings arising out of or in connection with this Agreement (the “**Proceedings**”), each Party irrevocably:
- (a) submits to the non-exclusive jurisdiction of the courts of Hong Kong; and
  - (b) waives any objection which it may have at any time to the laying of venue of any Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to the Proceedings, that such court does not have any jurisdiction over such Party.
- 15.3 Nothing in this Agreement precludes a Party from bringing Proceedings in any other jurisdiction nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.
- 15.4 To the extent that, in the courts of any jurisdiction, any Party may claim for itself or its revenues or assets (irrespective of their use or intended use) immunity on the grounds of sovereignty or other similar grounds from suit, jurisdiction of any court, relief by way of injunction, order for specific performance or for recovery of property, attachment (whether in aid of execution, before judgment or otherwise), execution or enforcement of any judgment or other legal process to which it or its revenues or assets might otherwise be entitled in any Proceedings (whether or not claimed), and to the extent that in any such jurisdiction there may be attributed to itself or its revenues or assets such immunity, that party irrevocably agrees not to claim such immunity and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

## **16. Confidentiality**

Save for the announcement(s) and the circular(s) relating to this Agreement and the transactions contemplated hereunder required to be issued pursuant to the GEM Listing Rules and such disclosure as may be required under the GEM Listing Rules or by the Stock Exchange, the Securities and Futures Commission or other regulatory authorities or applicable laws, rules and regulations, none of the Parties shall make any announcement or release or disclose any information concerning this Agreement or the transactions herein referred to or disclose the identity of any of the other Parties (save for disclosure to their respective professional advisers under a duty of confidentiality) without the written consent of the other Parties.



## Schedule 1

### Particulars of the Company

- 1 Name: Shiny Glory Services Limited  
丞美服務有限公司
- 2 Registered office: Unit No. 301A, 3/F., Tower III, Enterprise Square, No. 9  
Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong
- 3 Date of incorporation: 11 November 1990
- 4 Place of incorporation: Hong Kong
- 5 Directors: Tam Wai Tong  
Choi Chung Yin
- 6 Secretary: RegenSec Limited
- 7 Number of shares issued: 50,000
- 8 Shareholding structure:

<u>Name of registered holder</u>	<u>No. of shares held</u>
Sharp Idea Global Limited	50,000

**Schedule 2**  
**Definitions and Interpretation**

1. In this Agreement, the following words and expressions shall have the following meanings:

<b>“Business”</b>	the business currently undertaken by the Company;
<b>“Business Day”</b>	a day (excluding Saturday) on which licensed banks in Hong Kong are open for business;
<b>“Companies Ordinance”</b>	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
<b>“Completion”</b>	the completion of the subscription of the Exchangeable Bond by the Subscriber pursuant to Clause 4;
<b>“Completion Date”</b>	the date as agreed by the Parties after the last outstanding Conditions shall have been fulfilled on which Completion is to take place;
<b>“Consideration”</b>	the consideration set out in Clause 2.2 for the subscription of the Exchangeable Bond payable by the Subscriber to the Issuer;
<b>“Documents”</b>	this Agreement and the Exchangeable Bond;
<b>“EGM”</b>	an extraordinary general meeting of the Issuer to be convened for the purpose of considering, if thought fit, approving the subscription of the Exchangeable Bond and other transactions as contemplated under this Agreement;
<b>“Encumbrance”</b>	(a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law, (b) any lease, sub-lease, occupancy agreement, easement or covenant granting a right of use or occupancy to any Person, (c) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, negotiation or refusal or transfer restriction in favour of any Person and (d) any adverse claim as to title, possession or use;

<b>“Exchangeable Bond”</b>	the exchangeable bond to be issued by the Issuer to the Subscriber in the aggregate face value of HKD 20,000,000 in the form and as set out in <b>Schedule 3</b> ;
<b>“Financial Indebtedness”</b>	any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent in respect of: <ul style="list-style-type: none"> <li>(a) money borrowed and debit balances at banks;</li> <li>(b) any debt instrument;</li> <li>(c) acceptance credit facilities;</li> <li>(d) receivables sold otherwise than on a non-recourse basis;</li> <li>(e) deferred payments for assets or services acquired (but not ordinary trade credit);</li> <li>(f) finance leases and hire purchase contracts;</li> <li>(g) a counter-indemnity in respect of a guarantee given by a financial institution;</li> <li>(h) any other transaction having the commercial effect of a borrowing; and</li> <li>(i) guarantees of any obligation for the payment or repayment of money, whether as principal or as surety and whether present or future, actual or contingent of any Person falling within any of (a) to (h) above;</li> </ul>
<b>“GEM Listing Rules”</b>	The Rules Governing the Listing of Securities on GEM of the Stock Exchange;
<b>“Governmental Authority”</b>	any government or political subdivision thereof; any department, agency or instrumentality of any government or political subdivision thereof; any court or arbitral tribunal; and the governing body of any securities exchange, in each case having competent jurisdiction;
<b>“Group”</b>	the group of companies comprising the Issuer and its subsidiaries;
<b>“HK\$”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the

People's Republic of China;

“ <b>Long Stop Date</b> ”	31 March 2023 (or such other date as the Parties may agree in writing);
“ <b>Parties</b> ”	the named parties to this Agreement and “ <b>Party</b> ” shall mean any one of them;
“ <b>Person</b> ”	any natural person, firm, company, Governmental Authority, joint venture, partnership, association or other entity (whether or not having separate legal personality);
“ <b>Shares</b> ”	the shares in the capital of the Company; and
“ <b>Stock Exchange</b> ”	The Stock Exchange of Hong Kong Limited

2. In this Agreement, a reference to:

2.1 a “**subsidiary**” or “**holding company**” is to be construed (unless the context otherwise requires) in accordance with sections 13 and 15 of the Companies Ordinance;

2.2 a document in the “**agreed form**” is a reference to a document in a form approved and for the purposes of identification signed by or on behalf of each Party;

2.3 a statutory provision (whether of Hong Kong or elsewhere) includes a reference to:

(a) the statutory provision as modified or re-enacted or both from time to time whether before or after the date of this Agreement, except to the extent that the liability of any Party is thereby increased or extended; and

(b) any subordinate legislation made under the statutory provision whether before or after the date of this Agreement;

2.4 a “**notice**” means a notice in writing;

2.5 the regulatory provisions (whether of Hong Kong or elsewhere) include a reference to the regulatory provisions as modified or amended from time to time whether before or after the date of this Agreement;

2.6 a Person includes a reference to that Person’s legal personal representatives and successors;

2.7 a Recital, Clause, Schedule or Annexure, unless the context otherwise requires, is a reference to a recital or clause of or schedule or annexure to this Agreement;

2.8 this Agreement or any other document or to any specified provision of this Agreement or any other document are to this Agreement, that document or that provision as in force for the time being and as amended from time to time in accordance with the terms of

this Agreement or that document or, as the case may be, with the agreement of the relevant parties;

- 2.9 any Hong Kong legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall in respect of any jurisdiction other than Hong Kong be deemed to include what most nearly approximates in that jurisdiction to the Hong Kong legal term;
- 2.10 time is to Hong Kong time unless otherwise stated; and
- 2.11 the words and phrases “**other**”, “**including**” and “**in particular**” shall not limit the generality of any preceding words or be construed as being limited to the same class as the preceding words where a wider construction is possible.
3. The headings in this Agreement do not affect its interpretation.
4. The Recitals, Schedules and Annexure form part of this Agreement and shall have effect as if set out in full in the body of this Agreement and references to this Agreement include its Recitals, Schedules and Annexure.

**Schedule 3**  
**Form of Exchangeable Bond**

**LAPCO HOLDINGS LIMITED**  
**立高控股有限公司**

Registered office: Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands

No.: 1

**CERTIFICATE**

**HK\$20,000,000 EXCHANGEABLE BOND**

(with the maturity date on 31 December 2024)

THIS IS TO CERTIFY that Tam Wai Tong, of Flat A1, 2/F-3/F., Silvercrest, No. 75 Nga Tsin Wai Road, Kowloon, Hong Kong; is the registered holder of the above-mentioned Exchangeable Bond (this “**Bond**”). This Bond is issued with the benefit of and subject to the terms and conditions attached hereto which shall form an integral part of this certificate. This Bond is issued by Lapco Holdings Limited (the “**Issuer**”) at a principal amount of HK\$20,000,000.

EXECUTED AS A DEED by the Issuer and delivered this [●] day of [●] 2023.

**EXECUTED AS A DEED** by  
**LAPCO HOLDINGS LIMITED**  
in the presence of:

) \_\_\_\_\_  
) Name:  
) Title: Director  
)  
)  
)  
) \_\_\_\_\_  
) Name:  
) Title: Director

Note:

This Bond cannot be transferred to bearer on delivery and is only transferable to the extent permitted by Condition 2 of the terms and conditions hereof. This certificate must be delivered to the Issuer for cancellation in the event of any such transfer.

## TERMS AND CONDITIONS OF THE EXCHANGEABLE BOND

This Bond shall be held subject to and with the benefit of the terms and conditions set out below and such terms and conditions shall be binding on the Issuer.

Unless the context otherwise requires, words and phrases used in this Bond shall have the meanings ascribed to them in **Schedule 1** and the provisions of **Schedule 1** shall apply as if set out in full herein.

### **1 Period**

This Bond shall be for a period from the date hereof up to and including 31 December 2024 (the “**Maturity Date**”).

### **2 Status and Transfer**

- 2.1 The obligations of the Issuer arising under this Bond constitute direct, general, unsubordinated, unconditional and unsecured obligations of the Issuer and shall rank equally among themselves and pari passu with all other present and future unsecured and unsubordinated obligations of the Issuer except for obligations accorded preference by mandatory provisions of applicable law.
- 2.2 The Issuer shall maintain and keep a full and complete register of Holders of this Bond, and recordings of its cancellation, the destruction or any replacement certificate issued in substitution for any mutilated, defaced, lost, stolen or destroyed certificate and of sufficient identification details of the Holder. The Issuer shall further procure that such register and certified true copy thereof shall be made available to the Holder and/or its/his agent within reasonable time after the Issuer’ receipt of written request from the Holder.
- 2.3 This Bond and all rights hereunder shall not be transferred unless written consent of the Issuer is obtained, from the date hereof and until the last day of the third (3rd) month from the date hereof, which shall thereafter be freely transferable in whole provided that any transfer is in accordance with the applicable laws, listing rules, securities regulations, the applicable provisions of this Bond and the Subscription Agreement, in particular, the requirements under the GEM Listing Rules and/or other requirements imposed by the Stock Exchange, and the approval of the Shareholders in a general meeting if so required thereunder, and in compliance with, the GEM Listing Rules, if such assignment and/or transfer is proposed to be made to a connected person of the Issuer. The Issuer shall use all their respective reasonable efforts to assist the Holder in consummating any such transfer. A transfer of this Bond may only be in whole but not in part and may be effected by the execution of a Transfer of Bond (such transfer to be in the form set out in **Schedule 2** hereto) in writing by the transferor. The Transferor shall be deemed to remain as the Holder until the name of the transferee is entered in the register referred to in Condition 2.2. A transfer of this Bond may be effected by delivery of the duly executed Transfer of Bond and the certificate evidencing this Bond to the Issuer. The Issuer shall register the transfer on the date of such delivery and issue a new certificate to the transferee within two (2) Business Days immediately thereafter.



- 2.4 If the certificate for this Bond is lost or mutilated, the Holder shall forthwith notify the Issuer and a replacement certificate for this Bond shall be issued if the Holder provides the Issuer with: (a) the mutilated certificate for this Bond; and/or (b) a declaration by the Holder or its/his officer that the certificate for this Bond had been lost or mutilated (as the case may be) or other evidence that the certificate for this Bond had been lost or mutilated. Any certificate for this Bond replaced in accordance with this Condition shall forthwith be cancelled.

### **3 Interest and Redemption**

- 3.1 This Bond is issued on a non-interest bearing basis.
- 3.2 At any time from the date hereof and up to the Maturity Date, the Issuer may elect to redeem this Bond (in whole) then outstanding by paying to the Holder a Redemption price equal to an aggregate of 100% of the outstanding principal amount of this Bond:
- 3.3 The Redemption right under Condition 3.2 shall be exercised by the Issuer notifying the Holder by written notice (such notice to be in the form set out in **Schedule 3** hereto (a “**Redemption Notice**”). In the event that the Issuer elects to exercise the Redemption right under Condition 3.2, as soon as practicable after the delivery of the Redemption Notice, but in no event not later than five (5) Business Days thereafter, the Issuer shall redeem this Bond in accordance with Conditions 3.2 and 4 and the certificate for this Bond shall be delivered by the Holder to the Issuer for cancellation.

### **4 Payments**

- 4.1 All payments by the Issuer to the Holder or by the Holder to the Issuer under this Bond shall be made for value on the due dates into such bank account in such place as the Issuer or the Holder (as the case may be) may notify the other in writing from time to time. All payments by the Issuer or the Holder (as the case may be) shall be made in Hong Kong Dollars.
- 4.2 If the due date for payment of any amount in respect of this Bond is not a Business Day, the Issuer or the Holder (or the Holder) shall be entitled to payment on the next following Business Day in the same manner without interest.
- 4.3 All sums payable by the Issuer or the Holder (as the case may be) under this Bond shall be paid in full without set-off or counterclaim or any restriction or condition and free and clear of any tax or other deductions or withholdings of any nature and, to the extent the Issuer or the Holder (as the case may be) are required or compelled by law to make any deduction or withholding from any amount payable under this Bond, that party must, to the extent permitted by law, pay to the other an additional amount sufficient to ensure that the amount received by the Issuer or the Holder (as the case may be) equals the full amount that would have been received by the Issuer or the Holder (as the case may be), if that deduction or withholding had not been required or compelled.

## 5 Maturity

The whole of the principal amount of this Bond shall, unless previously repaid or Exchanged into Shares or purchased and cancelled in accordance with the terms and conditions hereof, be repaid to the Holder on the Maturity Date.

## 6 Exchange

- 6.1 Subject as hereinafter provided and the applicable laws, the Holder shall have the right but not the obligation, from the first day of the fourth (4th) month from the date hereof and up to and including the day immediately prior to the Maturity Date to Exchange the whole outstanding principal amount of this Bond, subject to the provisions of this Condition 6, into fully paid Shares.
- 6.2 The Exchange right as provided under this Condition 6 is subject to the Issuer not exercising its Redemption right under Condition 3 and may not be exercised from the date hereof and up to the last day of the third (3rd) month from the date hereof.
- 6.3 Upon the Holder electing to exercise the Exchange right in accordance with this Condition 6, the Issuer shall confirm in writing to the Holder as to whether the Issuer elects to exercise its Redemption right under Condition 3 within thirty (30) days. In the event the Issuer elects to exercise its Redemption right under Condition 3, the Issuer shall deliver the Redemption Notice pursuant to Condition 3.3 to the Holder. In the event the Issuer elects not to exercise its Redemption right under Condition 3, the Holder shall deliver the Exchange Notice pursuant to Condition 6.5 to the Issuer and the Issuer shall procure that 100% shareholding interests in the Company (representing the entire issued share capital of the Company) be transferred to the Holder (or its nominee) in accordance with this Condition 6.
- 6.4 The initial Exchange price per Share based on the initial outstanding principal amount of this Bond shall be HK\$400, representing a premium of 13.4% over the net asset value of the Company per Share (based on a net asset value of HK\$17,639,000 as at 30 June 2022 and net asset value per Share of HK\$352.78). If the net asset value of the Company as at the preceding calendar month end date at the time the Holder elects to exercise the Exchange right under this Condition 6 is higher than 110% of the aggregate amount of 100% of the outstanding principal amount of this Bond, the Holder shall reimburse the Issuer the difference between such net asset value and 110% of the outstanding principal amount of this Bond in cash.
- 6.5 The Exchange right under this Condition 6 shall be exercised by the Holder surrendering the certificate for this Bond on a Business Day (the “**Exchange Date**”) at any time during usual business hours at the address for the delivery of notices to the Issuer as stated in Condition 10 (or such other place as the Issuer and the Holder may agree), accompanied by written notice (such notice to be in the form set out in **Schedule 3** hereto (an “**Exchange Notice**”)) specifying the name or names (with address) of the Holder in which a certificate or certificates for Shares are to be issued and, if more than one name, the number of Shares to be issued to each of them. The certificate for this Bond shall be delivered, together with the Exchange Notice, to the Issuer for cancellation. As soon as practicable after the delivery of the Exchange Notice, but in any event not later than five (5) Business Days thereafter, the Issuer shall deliver to the Holder duly executed

instrument(s) of transfer and certificate(s) in respect of the Exchanged Shares specified in the Exchange Notice. No later than five (5) Business Days after return of the instruments of transfer duly executed by the Holder to the Issuer, the Issuer shall procure the Company to register such transfer and issue new share certificates representing the number of fully paid Shares calculated in accordance with this Condition 6 and deliver the same to the Holder.

6.6 No fractional Shares shall be transferred upon Exchange.

6.7 The Issuer covenant that all Shares, when transferred and delivered pursuant to this Condition 6, shall be duly and validly issued and fully paid, free and clear of all Encumbrances and shall rank pari passu with all other outstanding Shares then in issue.

## **7 Prepayment**

The principal amount of this Bond may only be prepaid by the Issuer exercising its Redemption right in accordance with Condition 3.

## **8 The Issuer's Undertakings**

8.1 The Issuer hereby covenants to the Holder that for so long as any principal amount of this Bond hereunder remains outstanding, the Issuer shall:

8.1.1 punctually pay the principal amount and/or any sum payable on this Bond in the manner specified herein, and any other liabilities due hereunder; and

8.1.2 comply with such other terms and conditions of the Subscription Agreement and any other documents contemplated thereunder to which the Issuer is a party.

## **9 Events of Default**

9.1 Subject to Condition 9.2, if any of the following events (each an "Event of Default") occurs, the Holder may give notice to the Issuer that the outstanding principal amount of of this Bond is, and it shall on the giving of such notice immediately become, due and payable at its principal amount then outstanding together with any accrued sum calculated up to the date of repayment:

9.1.1 the Issuer shall fail to perform any of its obligations hereunder including, but not limited to, failure to pay any amount which is payable hereunder or transfer or procure to transfer the Exchange Shares as and when the Exchange Shares are required to be transferred to the Holder following the Exchange of this Bond, except that such failure was due to reason beyond reasonable control of the Issuer;  
or

9.1.2 the Issuer or any member of the Group shall:

- (a) default in making any payment of any principal of any indebtedness of more than HK\$5 million on the scheduled or original due date or beyond the period of grace, if any, with respect thereto; or
  - (b) default in making any payment of any interest on any such indebtedness beyond the period of grace, if any, provided in the instrument or agreement under which such indebtedness was created; or
  - (c) default in the observance or performance of any other agreement, term, covenant or condition relating to any such indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event shall occur or condition exist, the effect of which default or other event or condition is to cause, or to permit the holder or beneficiary of such indebtedness (or a trustee or agent on behalf of such holder or beneficiary) to cause, with the giving of notice if required, such indebtedness to become due prior to its stated maturity or to become payable, in each case other than any such default in respect of trade payables in the ordinary course of business that would not otherwise cause a breach or default under another paragraph of this Condition 9;
- 9.1.3 the Issuer or any member of the Group shall commence any case, proceeding or other action (a) under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganisation or relief of debtors, seeking to have an order for relief entered with respect to it, or seeking to adjudicate it bankrupt or insolvent, or seeking reorganisation, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to it or its debts, or (b) seeking appointment of a receiver, trustee, custodian, conservator or other similar official for it or for all or any substantial part of its assets (other than, in the case of any member of the Group, by way of a shareholder's voluntary winding up when such member of the Group is solvent or winding up after expiry of business licence period of such member of the Group); or
- 9.1.4 there shall be commenced against the Issuer or any member of the Group any case, proceeding or other action of a nature referred to in Condition 9.1.3 above which (a) results in the entry of an order for relief or any such adjudication or appointment or (b) remains undismissed, undischarged or unbonded for a period of thirty (30) days; or
- 9.1.5 there shall be commenced against the Issuer or any member of the Group any case, proceeding or other action seeking issuance of a warrant of attachment, execution, distraint or similar process against all or any substantial part of its assets which results in the entry of an order for any such relief which shall not have been vacated, discharged, stayed or bonded pending appeal within 30 days from the entry thereof; or
- 9.1.6 the Issuer or any member of the Group shall (a) make a general assignment for the benefit of its creditors, or (b) admit its inability to pay its debts when they become due;

- 9.1.7 one or more judgments or decrees shall be entered against the Issuer or any member of the Group involving, in the aggregate, a liability (to the extent not paid or fully covered by insurance) of HK\$15 million or more, and all such judgments or decrees shall not have been vacated, discharged, stayed or bonded pending appeal within thirty (30) days from the entry thereof, or any action shall be taken by a judgment creditor to levy upon assets or properties of the Issuer or any member of the Group to enforce any such judgment;
- 9.1.8 there shall have occurred a Material Adverse Change;
- 9.1.9 any member of the Group ceases to carry on its business or any substantial part thereof or substantially changes the nature or scope of its business or disposes of all or any substantial part of its business or assets; or
- 9.1.10 the Issuer fail to comply with any terms or any of their respective obligations set forth in the Subscription Agreement.
- 9.2 If any event in Conditions 9.1.1 to 9.1.10 occurs, the Holder shall give notice in accordance with Condition 10 (the “**Default Notice**”) to the Issuer to rectify the relevant event. The relevant event must be clearly stated in the Default Notice by the Holder. If the relevant event is rectified within 30 days from the date of Default Notice, such event shall not be regarded as an Event of Default.

## 10 Notices

- 10.1 Any notice or other communication under or in connection with this Bond shall be in writing in English language and shall be delivered personally, or sent by prepaid mail, recorded delivery or registered post (or air-mail if overseas) or by fax, or by email, to the party due to receive the notice or communication at its address and any fax number or email address set out below (or such other address as a party may specify by notice in writing to the other):

### The Issuer:

Address: Unit No. 301A, 3/F., Tower III, Enterprise Square, No. 9  
Sheung Yuet Road, Kowloon Bay, Kowloon, Hong Kong

Fax number: +852 2758 8666

Attention to: The board of directors

### The Holder

Address: Flat A1, 2/F-3/F., Silvercrest, No. 75 Nga Tsin Wai Road,  
Kowloon, Hong Kong

Attention to: Mr. Tam Wai Tong

10.2 In the absence of evidence of earlier receipt, any notice or other communication shall be deemed to have been duly given:

10.2.1 if delivered personally, when left at the address referred to above;

10.2.2 if sent by mail (other than air-mail), recorded delivery or registered post, two (2) Business Days after it was posted;

10.2.3 if sent by air-mail, six (6) Business Days after it was posted;

10.2.4 if sent by fax, on completion of its transmission,

10.2.5 if sent by email, unless the party sending the email knows or reasonably ought to suspect that the email and the attached communication were not delivered to the addressee's domain specified in the email address notified for the purposes of this Condition 10, 24 hours after the email was sent,

provided that if, under the above provisions, any such notice would otherwise be deemed to be given after 5 p.m. (Hong Kong local time) on a Business Day, such notice shall be deemed to be given at 9 a.m. (Hong Kong local time) on the next Business Day.

10.3 In proving the giving of a notice under this Condition 10, it shall be conclusive evidence to prove that it was left at the appropriate address or the envelope containing it was properly addressed and posted or placed in the custody of the postal authorities as a pre-paid mail, recorded delivery or registered post (or air-mail if overseas) or the fax was sent in full to the relevant number or the email was sent in full to the email address of the addressee (as the case may be).

## **11 Expenses**

11.1 Except as otherwise provided in the Subscription Agreement and this Bond, each of the parties shall be responsible for its respective legal and other costs incurred in relation to all legal fees, disbursements and other charges of counsel, in connection with this Bond.

11.2 Except as otherwise provided in the Subscription Agreement and this Bond, any stamp duty, capital duty, fees or expenses payable in connection with the issue, redemption and/or exchange of the Bond shall be borne by the Holder.

## **12 Miscellaneous**

The Issuer agrees that no omission or delay by the Holder in exercising any right hereunder shall operate as a waiver, and the single or partial exercise of any such right or rights shall not preclude any other or further exercise of such right or rights.

### **13 Headings and Condition Reference**

Condition headings in this Bond are included herein for convenience of reference only and shall not constitute a part of this Bond. Any references to a “**Condition**” means, unless otherwise specified, such Condition of this Bond.

### **14 Amendment**

This Bond may not be amended or modified except by a written agreement executed by the Issuer and the Holder.

### **15 Governing Law and Jurisdiction**

15.1 This Bond and the terms of this Bond are governed by and shall be construed in accordance with the laws of Hong Kong.

15.2 With respect to any question, dispute, suit, action or proceedings arising out of or in connection with this Bond (the “**Proceedings**”), each party irrevocably:

15.2.1 submits to the non-exclusive jurisdiction of the courts of Hong Kong; and

15.2.2 waives any objection which it may have at any time to the laying of venue of any Proceedings have been brought in an inconvenient forum and further waives the right to object, with respect to the Proceedings, that such court does not have any jurisdiction over such party.

15.3 Nothing in this Bond precludes a party from bringing Proceedings in any other jurisdiction nor will the bringing of Proceedings in any one or more jurisdictions preclude the bringing of Proceedings in any other jurisdiction.

15.4 To the extent that, in the courts of any jurisdiction, any party may claim for itself or its revenues or assets (irrespective of their use or intended use) immunity on the grounds of sovereignty or other similar grounds from suit, jurisdiction of any court, relief by way of injunction, order for specific performance or for recovery of property, attachment (whether in aid of execution, before judgment or otherwise), execution or enforcement of any judgment or other legal process to which it or its revenues or assets might otherwise be entitled in any Proceedings (whether or not claimed), and to the extent that in any such jurisdiction there may be attributed to itself or its revenues or assets such immunity, that party irrevocably agrees not to claim such immunity and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.

## Schedule 1

### INTERPRETATION

In this Bond, the following words and expressions shall have the following meanings:

<b>“Business Day”</b>	a day (excluding Saturday) on which licensed banks in Hong Kong are open for business;
<b>“Company”</b>	Shiny Glory Services Limited, a company incorporated in Hong Kong with limited liability and an indirect wholly-owned subsidiary of the Issuer;
<b>“Encumbrance”</b>	(a) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, title retention, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any Person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under applicable law, (b) any lease, sub-lease, occupancy agreement, easement or covenant granting a right of use or occupancy to any Person, (c) any proxy, power of attorney, voting trust agreement, interest, option, right of first offer, negotiation or refusal or transfer restriction in favour of any Person and (d) any adverse claim as to title, possession or use;
<b>“Exchange”</b>	the exchange of the outstanding principal amount of this Bond (in whole) into Shares by the Holder as provided under Condition 6;
<b>“GEM Listing Rules”</b>	The Rules Governing the Listing of Securities on GEM of the Stock Exchange;
<b>“Group”</b>	the Issuer and its Subsidiaries from time to time and the expression <b>“member of the Group”</b> or <b>“Group Company”</b> or <b>“Group Companies”</b> shall be construed accordingly;
<b>“HK\$”</b>	Hong Kong dollars, being the lawful currency of Hong Kong;



<b>“Holder”</b>	the holder, for the time being, of this Bond appearing in the register of Holders as the registered holder of this Bond
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“Issuer”</b>	Lapco Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on GEM of the Stock Exchange;
<b>“Material Adverse Change”</b>	any material adverse change in the historical and future business, operations, financial position (including without limitation any material increase in provisions), earnings or financial condition, properties or assets of the Group taken as a whole;
<b>“Person”</b>	any natural person, firm, company, corporation, governmental authority, joint venture, partnership, association or other entity (whether or not having separate legal personality);
<b>“Redemption”</b>	the redemption of the outstanding principal amount of this Bond (in whole) by the Issuer as provided under Condition 3.2;
<b>“Shares”</b>	the ordinary shares in the capital of the Company and includes shares of any class or classes resulting from any subdivision, consolidation or re-classification of those shares;
<b>“Subscription Agreement”</b>	the subscription agreement dated [●] 2023 entered into among the Issuer, the Company and the Subscriber relating to, inter alia, the subscription for this Bond;
<b>“Stock Exchange”</b>	The Stock Exchange of Hong Kong Limited; and
<b>“Subscriber”</b>	Tam Wai Tong.

Schedule 2

FORM OF TRANSFER OF BOND

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LAPCO HOLDINGS LIMITED

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I/We, [name of transferor] of [address of transferor], hereby transfer to [name of transferee] of [address of transferee] (hereinafter called the "Transferee") an outstanding principal amount of HK\$[●] in the exchangeable bond issued by Lapco Holdings Limited to me/us on [●] together with all rights attaching thereto to hold unto the Transferee, its successors or assigns, subject to the several conditions upon which I/we hold the same at the time of execution hereof. I/We, the Transferee, do hereby agree to take the said bond subject to the same conditions.

Dated [●]

Witness to the signature(s) of the Transferor

Name

Address

---

(Transferor)

Witness to the signature(s) of the Transferee

Name

Address

---

(Transferee)

**Schedule 3**

**FORM OF REDEMPTION NOTICE**

[date]

To:

[name]

[Address]

Dear Sirs,

**Re: Redemption Notice in relation to an Exchangeable Bond issued by Lapco Holdings Limited**

Capitalised terms used herein and not otherwise defined shall have their respective meanings as set forth in the Bond (as defined below).

We hereby deliver this Redemption Notice to you, being the holder of the bond, represented by certificate no.[•], in the principal amount of HK\$[•] (the “**Bond**”) pursuant to Condition 3.3 of the Bond and hereby notifies you of the exercise of the redemption right set forth in Condition 3.2 of the Bond to redeem all of the outstanding principal amount of the Bond.

Yours faithfully,

For and on behalf of

**Lapco Holdings Limited**

\_\_\_\_\_  
Name:

Title:

## Schedule 4

### FORM OF EXCHANGE NOTICE

[date]

To:

Lapco Holdings Limited (the "Issuer")

[Address]

Dear Sirs,

**Re: Exchange Notice in relation to an Exchangeable Bond issued by the Issuer**

Capitalised terms used herein and not otherwise defined shall have their respective meanings as set forth in the Bond (as defined below).

The undersigned, being the holder of the bond, represented by certificate no.[•], in the principal amount of HK\$[•] (the "Bond"), hereby delivers this Exchange Notice pursuant to Condition 6.5 of the Bond and hereby notifies the Issuer of the exercise of the exchange right set forth in Condition 6.1 of the Bond to exchange all of the outstanding principal amount of the Bond.

Total Shares to be transferred upon Exchange: [•] Shares

Name(s) in which the Shares are to be transferred: [•]

Address(es) of the holder(s) of the Shares: [•]

Delivery instructions<sup>Note</sup>: Name:

Address:

Please transfer the number of Shares upon Exchange in accordance with this Exchange Notice and with the provisions of Condition 6 of the Bond.

Yours faithfully,  
For and on behalf of  
[Name of Holder]

---

Name:

Title:

*Note:*

*Where applicable, despatch of share certificates will be made at the risk and expense of the holder and the holder will be required to submit any necessary documents required in order to effect despatch in the manner specified.*

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

**SIGNED by Tam Yiu Shing** )  
**Billy** )  
its director/authorised signatory )  
for and on behalf of )  
**LAPCO HOLDINGS LIMITED** )  
in the presence of :-

A handwritten signature in black ink, appearing to be 'Billy', written over a horizontal line.

**SIGNED by Choi Chung Yin** )  
its director/authorised signatory )  
for and on behalf of )  
**SHINY GLORY SERVICES** )  
**LIMITED** )  
in the presence of :-

A handwritten signature in black ink, appearing to read "Choi Chung Yin", written in a cursive style.

**SIGNED by TAM WAI TONG**  
in the presence of:

)  
) 