

DATE: 5 JULY 2016

WAI YUEN TONG MEDICINE HOLDINGS LIMITED

and

KINGSTON SECURITIES LIMITED

**UNDERWRITING AGREEMENT
IN RELATION TO
NOT LESS THAN 948,857,166 RIGHTS SHARES AND NOT MORE THAN
949,013,133 RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR
EVERY ONE (1) SHARE HELD ON THE RECORD DATE
AT HK\$0.43 PER RIGHTS SHARE**

THIS AGREEMENT is dated 5 July 2016

BETWEEN:

- (1) **WAI YUEN TONG MEDICINE HOLDINGS LIMITED**, an exempted company incorporated in Bermuda with limited liability whose registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda (the “**Company**”);
- (2) **KINGSTON SECURITIES LIMITED**, a company incorporated in Hong Kong with limited liability whose registered office is situated at Suite 2801, 28/F., One International Finance Centre, 1 Harbour View Street, Central, Hong Kong (the “**Underwriter**”).

WHEREAS:

- (A) The Company is incorporated in Bermuda and its issued Shares (as defined herein below) are listed on the Stock Exchange (as defined herein below). As at the date hereof, the Company has an authorised share capital of HK\$600,000,000.00 divided into 60,000,000,000 Shares of nominal value of HK\$0.01 each of which 316,285,722 Shares are issued and are fully paid or credited as fully-paid and 59,683,714,278 Shares remained unissued.
- (B) On or around the same date of this Agreement, Rich Time, an indirect wholly-owned subsidiary of WOG that holds 69,830,735 Shares as at the date of this Agreement, has irrevocably undertaken to the Company, among other things, that:
 - (i) it will subscribe, or procure its associates to subscribe, for 209,492,205 Rights Shares which comprise the full acceptance of its provisional entitlement;
 - (ii) that the Shares comprising its current shareholding in the Company will remain beneficially owned by it on the Record Date;
 - (iii) it will procure that its acceptance of the 209,492,205 Rights Shares which will be provisionally allotted to it nil-paid under the Rights Issue be lodged with the Registrar, with payment in full therefor, by no later than 4:00 p.m. at the Latest Time for Acceptance or otherwise in accordance with the instructions printed on the PAL(s);
 - (iv) it will apply, or procure its associates to apply, by way of excess application, for 370,000,000 Rights Shares; and
 - (v) it will procure that the EAF(s) for 370,000,000 Rights Shares be lodged with the Registrar, with payment in full therefor, by no later than 4:00 p.m. at the Latest Time for Acceptance or otherwise in accordance with the instructions printed on the EAF(s).
- (C) The Company has determined by resolution of its board of directors to offer, subject to the fulfilment of the Conditions Precedent (as defined herein below), not less than 948,857,166 Rights Shares (assuming no new Shares being issued or repurchased by the Company on or before the Record Date (as defined herein below)) and not more

than 949,013,133 Rights Shares (assuming all rights attaching to the outstanding Share Options are exercised in full on or before the Record Date) for subscription by the Qualifying Shareholders (as defined herein below) by way of the Rights Issue on the basis of three (3) Rights Shares for every one(1) Share held on the Record Date at the Subscription Price (as defined herein below) of HK\$0.43 per Rights Share payable in full on application or otherwise on the terms and subject to the conditions set out in this Agreement and the Prospectus Documents (as defined herein below).

- (D) In reliance upon the representations and warranties of the Company contained herein, the Underwriter has agreed to fully underwrite the Underwritten Shares (as defined below) subject to the terms and conditions herein.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS

- 1.1. In this Agreement (including the Recitals hereto), unless the context otherwise requires, the following expressions have the following meanings:

“Announcement”	the announcement to be made by the Company concerning, among other things, the Rights Issue
“Application Forms”	together, the EAF(s) and the PAL(s)
“associate(s)”	has the meaning ascribed thereto in the Listing Rules
“Audited Accounts Date”	31 March 2016
“Board”	the board of Directors
“business day”	any day (other than a Saturday, Sunday or public holiday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
“Bye-laws”	the Bye-laws of the Company
“CAP Bond”	10 % bonds due 2019 issued by China Agri-Products Exchange Limited, a company incorporated in Bermuda with limited liability which shares are listed on the Stock Exchange, in the outstanding principal amount of HK\$200,000,000
“CCASS”	the Central Clearing and Settlement System

	established and operated by Hong Kong Securities Clearing Company Limited
“Circular”	the circular in the agreed form in relation to, among other things, the Rights Issue to be despatched to the Shareholders
“Companies Ordinance”	the Companies Ordinance, Chapter 622 of the Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
“Companies (Winding Up and Miscellaneous Provisions)”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Ordinance” Laws of Hong Kong (as amended, supplemented or otherwise modified from time to time)
“Conditions Precedent”	the conditions set out in Clause 2.1
“Directors”	the director(s) of the Company from time to time
“EAF(s)”	the form(s) of application for use by the Qualifying Shareholders who wish to apply for excess Rights Shares
“Executive”	the Executive Director of the Corporate Finance Department of the SFC and any delegate of the Executive Director
“Group”	the Company and its subsidiaries
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholder(s)”	the Shareholder(s), other than the Directors (excluding the independent non-executive Directors), the chief executive of the Company, WOG and each of their respective associates, who are not involved in, or interested in, the Rights Issue, this Agreement and the WOG Irrevocable Undertaking
“Independent Third Party(ies)”	a person who: <ul style="list-style-type: none"> (i) is not (and will not become as a result of the consummation of the Rights Issue) a connected person of the Company and it

will not be deemed a connected person of the Company pursuant to Rules 14A.19 to 14A.21 of the Listing Rules;

- (ii) is not financing the subscription of the Rights Shares directly or indirectly by a connected person of the Company;
- (iii) is not accustomed to taking instructions from a connected person of the Company in relation to the acquisition, disposal, voting or other disposition of securities of the Company registered in its name or otherwise held by it; and
- (iv) would not result in its aggregate holding (direct and indirect) in the total issued share capital of the Company being 10% or more of the Company's entire issued share capital at any time

"Latest Lodging Time"

4:30 p.m. on Thursday, 1 September 2016 or such other date and/or time as the Underwriter and the Company may agree as the latest time for lodging transfer of the Shares in order to qualify for the Rights Issue

"Latest Time for Acceptance"

4:00 p.m. on Friday, 23 September 2016 or such later time or date as may be agreed between the Underwriter and the Company in writing, being the latest time for acceptance of, and payment for, the Rights Shares as described in the Prospectus Documents

"Latest Time for Termination"

4:00 p.m. on the fourth business day after the Latest Time for Acceptance or such later time or date as may be agreed between the Underwriter and the Company in writing, being the latest time to terminate this Agreement

"Listing Rules"

the Rules Governing the Listing of Securities on the Stock Exchange

"Non-Qualifying Shareholders"

those Overseas Shareholders whom the Directors, based on the enquiry made or legal advice obtained pursuant to Clause 4.5, consider it necessary or expedient on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place

	not to offer the Rights Shares to such Shareholders
“Overseas Shareholder(s)”	Shareholder(s) with registered addresses (as shown in the register of members of the Company on the Record Date) which are outside Hong Kong
“PAL(s)”	the renounceable provisional allotment letter(s) in respect of the Rights Shares proposed to be issued to the Qualifying Shareholders
“Parties”	the named parties to this Agreement and their respective successors and permitted assignees, and “Party” means each of them
“Prospectus”	the prospectus to be despatched to the Shareholders on the Prospectus Posting Date in connection with the Rights Issue in such form as may be agreed between the Company and the Underwriter
“Prospectus Documents”	the Prospectus (including any supplement or amendment thereto), the PAL(s) and the EAF(s)
“Prospectus Posting Date”	Thursday, 8 September 2016 or such later date as may be agreed between the Underwriter and the Company for the despatch of the Prospectus Documents
“Qualifying Shareholders”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	Wednesday, 7 September 2016 or such other date as may be agreed between the Company and the Underwriter in writing for the determination of entitlements under the Rights Issue
“Registrar”	Tricor Secretaries Limited of Level 22, Hopewell Centre, 183 Queen’s Road East, Hong Kong
“Rich Time”	Rich Time Strategy Limited, a company incorporated in the British Virgin Islands and an indirect wholly-owned subsidiary of WOG
“Rights Issue”	the issue of the Rights Shares by way of rights

issue to the Qualifying Shareholders for subscription pursuant to the terms and conditions to be set out in this Agreement and the Prospectus Documents

“Rights Shares”

not less than 948,857,166 Shares (assuming no new Shares being issued or repurchased by the Company and no outstanding Share Options are exercised on or before the Record Date) and not more than 949,013,133 Shares (assuming all rights attaching to the outstanding Share Options are exercised in full on or before the Record Date) proposed to be provisionally allotted to the Qualifying Shareholders for subscription on the basis of three (3) Rights Shares for every one (1) Share held on the Record Date by way of rights issue on the terms and conditions as set out in this Agreement and the Prospectus Documents

“Settlement Date”

the fourth business day following (but excluding) the Latest Time for Acceptance or such later day as the Company and the Underwriter may agree

“SFC”

the Securities and Futures Commission of Hong Kong

“SGM”

the special general meeting of the Company to be convened for the Independent Shareholders to consider and, if thought fit, approve the Rights Issue, this Agreement and the transactions respectively contemplated thereunder

“Share(s)”

ordinary share(s) of HK\$0.01 each in the share capital of the Company

“Shareholder(s)”

the holder(s) of the Share(s)

“Share Option(s)”

the options issued or to be issued under the share option schemes adopted by the Shareholders at the general meetings of the Company held on 18 September 2003 and 22 August 2013

“Special Deal”

the acquisition of the CAP Bond by the Company from WOG which constitutes a special deal under Rule 25 of the Takeovers Code

“Specified Event”

an event occurring or matter arising on or after the date hereof and prior to the Latest Time for Termination which if it had occurred or arisen

before the date hereof would have rendered any of the warranties contained in Clause 10.1 untrue or incorrect in any material respect

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“Subscription Price”

the issue price of HK\$0.43 per Rights Share at which the Rights Shares are proposed to be offered for subscription

“subsidiary”

has the same meaning ascribed thereto in section 15 of the Companies Ordinance and “subsidiaries” shall be construed accordingly

“Sub-Underwriter(s)”

the sub-underwriter(s) who have agreed to act as a sub-underwriter in relation to the Rights Issue pursuant to sub-underwriting agreements with the Underwriter

“Takeovers Code”

The Code on Takeovers and Mergers

“taken up”

in relation to any Rights Shares, means those Rights Shares in respect of which duly completed Application Forms (accompanied by cheques or banker's cashier order for the full amount payable on application which are honoured on first or, at the option of the Company, subsequent presentation) have been received on or before the Latest Time for Acceptance and references to “take up” shall be construed accordingly

“this Agreement”

this underwriting agreement as amended from time to time

“Underwritten Shares”

all the Rights Shares in excess of the aggregate of: (i) 209,492,205 Rights Shares that will be provisionally allotted to and subscribed for by Rich Time (or its associates) pursuant to the WOG Irrevocable Undertaking; and (ii) 370,000,000 Right Shares for which Rich Time (or its associates) will subscribe by way of excess application pursuant to the WOG Irrevocable Undertaking, which are fully underwritten by the Underwriter pursuant to the terms and subject to the conditions set out in this Agreement

“Untaken Shares”

all those Underwritten Shares for which duly completed Application Forms (accompanied by

cheques or banker's cashier order for the full amount payable on the applications which are honoured on first, or at the option of the Company, subsequent presentation) have not been lodged for acceptance by Qualifying Shareholders, or received, as the case may be, on or before the Latest Time for Acceptance

"%" or "per cent."

percentage or per centum

"WOG"

Wang On Group Limited, an exempted company incorporated in Bermuda with limited liability whose registered office is at Clarendon House, 2 Church Street, Hamilton HM 11, Bermuda

"WOG Irrevocable Undertaking" an irrevocable undertaking dated 5 July 2016 granted by Rich Time in favour of the Company as described in the Announcement and Recital (B) of this Agreement

- 1.2. References to the singular number include the plural and vice versa and references to one gender include every gender. The clause headings in this Agreement are for convenience only and have no legal effect.
- 1.3. Any reference to a document being **"in the agreed form"** means in such form as may following the date of this Agreement be agreed between the Company and the Underwriter, both acting reasonably.
- 1.4. References to Clauses and Recitals are to clauses of and recitals to this Agreement.
- 1.5. References in this Agreement to time are to Hong Kong time.

2. CONDITIONS PRECEDENT

2.1. The Rights Issue is conditional upon:

- (i) the passing of all the necessary resolution(s) by the Shareholders (or where applicable, the Independent Shareholders) at the SGM approving and confirming:
 - (a) the Rights Issue and the transactions contemplated thereunder and authorising the Directors to allot and issue the Rights Shares(in their nil-paid and fully paid-forms) ;
 - (b) the acquisition of the CAP Bond by the Company;
 - (c) the Whitewash Waiver; and
 - (d) the Special Deal,

each in accordance with the Bye-laws, the Listing Rules and the Takeovers Code.

- (ii) the Executive granting to WOG the Whitewash Waiver and the satisfaction of all conditions (if any) attached thereto;
- (iii) the Executive granting its consent to the Special Deal and the satisfaction of all conditions (if any) attached thereto;
- (iv) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) in accordance with section 342C of the Companies (Winding Up and Miscellaneous Provisions) Ordinance as having been approved by resolutions of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules, the Companies Ordinance and the Companies (Winding Up and Miscellaneous Provisions) Ordinance not later than the Prospectus Posting Date;
- (v) the posting of the Prospectus Documents to the Qualifying Shareholders and the posting of the Prospectus to the Non-Qualifying Shareholders, if any, for information purposes only, on or before the Prospectus Posting Date;
- (vi) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked the listing of, and the permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms) by no later than the first day of their dealings;
- (vii) this Agreement not being terminated by the Underwriter pursuant to the terms hereof prior to the Latest Time for Termination;
- (viii) the compliance with and performance by the Company of all the undertakings and obligations under the terms of the Underwriting Agreement;
- (ix) the compliance with and performance of all the undertakings and obligations of Rich Time, or any of its respective associates, under the WOG Irrevocable Undertaking;
- (x) if necessary, the obtaining of the consent or permission from the Bermuda Monetary Authority in respect of the issue of the Rights Shares;
- (xi) there being no Specified Event occurring prior to the Latest Time for Termination; and
- (xii) the passing of the necessary resolution(s) by the WOG Shareholders at the WOG SGM to approve, among others, the subscription of Rights Shares (including the subscription for entitled Rights Shares and by way of excess application) under the Rights Issue pursuant to the WOG Irrevocable Undertaking and the transactions contemplated thereunder.

- 2.2. The Company shall use all reasonable endeavours to procure the fulfilment of all the Conditions Precedent by the Latest Time for Termination (or such other time and/or date as stipulated in Clause 2.1) or such other time and/or date as the Company and the Underwriter may agree in writing, and in particular shall furnish such information, supply such documents, pay such fees, give such undertakings and do all such acts and things as may be necessary in connection with the listing of the Rights Shares or to give effect to the Rights Issue and the arrangements contemplated in this Agreement.
- 2.3. The Company shall make an application to the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares (in their nil-paid and fully-paid forms).
- 2.4. The Conditions Precedent as set out in Clause 2.1 are incapable of being waived. If the Conditions Precedent are not satisfied in whole by the Latest Time for Termination (or such other time and/or date as stipulated in Clause 2.1) or such other time and/or date as the Company and the Underwriter may agree in writing, this Agreement shall terminate (save and except for Clauses 8.4, 11, 12.3, 14 and 16 which shall remain in full force and effect) and no Party shall have any claim against the other Party for costs, damages, compensation or otherwise save for any antecedent breaches.

3. PUBLICATION OF DOCUMENTS

- 3.1. Subject to obtaining approval from the Stock Exchange and any other relevant regulatory authority, the Company shall arrange for the Announcement, the Circular and the Prospectus Documents to be published on the Stock Exchange's website and its own website as soon as reasonably practicable following the signing of this Agreement.
- 3.2. The Company shall use its reasonable endeavours to procure the posting of the Prospectus Documents to the Qualifying Shareholders on or about the Prospectus Posting Date (or such other time as may be agreed between the Company and the Underwriter).

4. THE RIGHTS ISSUE

- 4.1. Subject to fulfilment of the Conditions Precedent by the Latest Time for Termination (or such other time and/or date as stipulated in Clause 2.1) or such other time and/or date as the Company and the Underwriter may agree in writing:
- (i) the Company shall provisionally allot the nil-paid Rights Shares to the Qualifying Shareholders, on the basis of three (3) Rights Shares for every one (1) Share held on the Record Date at the Subscription Price by posting the Prospectus Documents to such Qualifying Shareholders on the Prospectus Posting Date on the basis that payment for the Rights Shares shall be made in full on acceptance not later than the Latest Time for Acceptance; and
 - (ii) the Company shall, upon the Prospectus having been delivered to the Stock Exchange and registered with the Registrar of Companies in Hong Kong, on the Prospectus Posting Date, post the Prospectus to the Non-Qualifying

Shareholders marked “**For information purposes only**”.

- 4.2. Within two business days from the date of despatch of the Prospectus Documents, the Company shall deliver to the Underwriter:
- (i) certified copies of the resolutions of the Board approving the Prospectus Documents and approving and authorising
 - (a) this Agreement and the transactions contemplated thereunder;
 - (b) the despatch and the registration with the Registrar of Companies in Hong Kong of the Prospectus Documents,
 - (c) the allotment and issue of the Rights Shares by way of the Rights Issue;
 - (d) the making of the applications to the Stock Exchange for the approval of, and permission to deal in, the Rights Shares (in their nil-paid and fully paid form);
 - (e) the making of an application to the HKSCC Nominees Limited for admission of the Rights Shares (in their nil-paid and fully paid forms as applicable) as a participating security in CCASS; and
 - (f) all necessary steps to be taken by the Company in connection with each of the above matters; and
 - (ii) letter(s) from the auditors or reporting accountants of the Company, as appropriate, addressed to the Company reporting on or confirming the pro forma net tangible asset value of the Group, and where necessary, sufficiency of working capital of the Group, indebtedness statement and other financial information if and as required by the Stock Exchange or the SFC to be contained in the Prospectus and consenting to the issue of the Prospectus with the inclusion of their names and the references thereto in the form and context in which they are included.
- 4.3. The Rights Shares, when allotted and issued, shall rank *pari passu* in all respects among themselves and with the Shares in issue on the date of allotment and issue of the Rights Shares, including the right to receive all dividends and distributions which may be declared, made or paid on or after such date.
- 4.4. The Untaken Shares shall be subscribed by the Underwriter or subscribers procured by the Underwriter in accordance with this Agreement.
- 4.5. The Company shall, or procure its nominee(s) to, immediately after the Latest Lodging Time but in any event before the Record Date make such enquiry regarding the legal restrictions, if any, under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange in the place where the Overseas Shareholders reside.

5. UNDERWRITING OBLIGATIONS AND ACCEPTANCE OF RIGHTS SHARES BY THE UNDERWRITER

- 5.1. Subject to the provisions of this Agreement (including without limitation, the fulfilment of the Conditions Precedent set out in Clause 2.1), if and to the extent that at the Latest Time for Acceptance, there shall be any Untaken Shares, then the Underwriter shall subscribe or procure subscription for all such Untaken Shares at the Subscription Price on the terms as set out in the Prospectus Documents and in accordance with Clause 5.2 and Clause 5.4, and shall pay or procure to be paid to the Company the full amount due in respect thereof, subject to and in accordance with the provisions of Clause 5.4 on the basis set out in Clause 5.2.
- 5.2. The underwriting commitment of the Underwriter shall be not less than 369,364,961 and not more than 369,520,928 Underwritten Shares.
- 5.3. The Company shall procure that the Registrar keeps the Underwriter regularly informed on a daily basis of the number of Rights Shares validly applied for during the period up to the Latest Time for Acceptance and shall procure that the Registrar notifies the Underwriter in writing as soon as practicable thereafter (and in any event not later than 4:00 p.m. on the business day immediately following the Latest Time for Acceptance) the total number of Untaken Shares, and the Underwriter shall subscribe or procure subscription on the terms of the Prospectus Documents (so far as the same are applicable) for such Untaken Shares in accordance with this Agreement by 4:00 p.m. on the Settlement Date in full.
- 5.4. Subject to the fulfillment of the Conditions Precedent in Clause 2.1, the Underwriter not having exercised its right of termination under Clause 12 by the Latest Time for Termination, and the Underwriter being required to take up the Untaken Shares pursuant to Clause 5.1, the Underwriter shall, not later than 4:00 p.m. on the Settlement Date, pay or procure payment to the Company by way of banker's draft or cashier's order drawn on a licensed bank in Hong Kong or by way of bank transfer of the aggregate Subscription Price in respect of the Untaken Shares for which it is obliged to subscribe or procure subscription in accordance with this Clause 5, less any amounts payable to the Underwriter pursuant to Clause 8.
- 5.5. Forthwith following receipt by the Company of payment referred to in Clause 5.4 and in any event not later than 4:00 p.m. on the Settlement Date, the Company shall arrange for delivery to the Underwriter or its nominees of share certificates in respect of the fully paid Untaken Shares for which the Underwriter has subscribed or procured subscription in such names and in such denominations as the Underwriter may reasonably require at the same time as share certificates are despatched generally to persons who have applied for the Rights Shares or, where the Underwriter has designated an investor participant or CCASS participant stock account for deposit of all or part of the Untaken Shares, evidence to the satisfaction of the Underwriter that such documents and instructions required to effect the crediting of such Untaken Shares have been signed or given, as the case may be.
- 5.6. Subject to the requirements of the Listing Rules and the relevant laws, the Underwriter may, in its absolute discretion, appoint any of its affiliates or appoint any person to be Sub-Underwriter(s) for the purposes of arranging for the sub-underwriting of the

Underwritten Shares provided that all costs and expenses relating thereto be borne by it out of the underwriting commission to be paid by the Company (which shall remain unchanged) under Clause 8.1.

6. OBLIGATIONS OF THE UNDERWRITER

- 6.1. Any transaction carried out by the Underwriter pursuant to Clause 5 (other than the obligation to subscribe or procure subscription for any Untaken Shares pursuant to Clause 5 and the obligations contained in Clause 6.2) shall constitute a transaction carried out at the request of the Company and as its agent and not in respect of the Underwriter's own account. The Underwriter (in relation to Clause 5) shall not be responsible for any loss or damage to any persons arising from any such transaction, except where such loss or damage arises from the breach by the Underwriter of their obligations under this Agreement or the gross negligence, fraud, or wilful default or omission of the Underwriter or any agent appointed by them for such purpose.
- 6.2. In acting as agent of the Company hereunder, the Underwriter shall comply with all applicable laws and shall not do or omit anything, the doing or omission of which shall or may cause the Company to be in breach of any applicable laws, and in particular, but without prejudice to the generality of the foregoing, shall ensure that all offers made by it of the Rights Shares are made only in compliance with all applicable laws and regulations and do not require the registration of the Prospectus Documents or any of them or any other document as a prospectus or otherwise in any jurisdiction other than Hong Kong and the Underwriter shall not make or purport to make on behalf of the Company any representation or warranty not contained in the Prospectus Documents. In the event of the Underwriter being called upon to subscribe for or procure subscribers for the Underwritten Shares under this Agreement, it shall use its best endeavours to ensure that the public float requirements under Rule 8.08 of the Listing Rules be fulfilled by the Company upon completion of the Rights Issue.
- 6.3. If the Underwriter shall default in complying with its obligations under Clause 5.1, the Company is hereby irrevocably authorised to treat this Agreement as an application by the Underwriter, on and subject to the terms and conditions and on the basis of the information contained in this Agreement and in the Prospectus Documents (other than as to the time of application and payment which shall be dealt with in accordance with Clause 5), for such Untaken Shares which have not been taken up and to allot and issue the same to the Underwriter upon such terms and conditions. In such event, the Underwriter shall pay to the Company the aggregate Subscription Price in respect of the Untaken Shares for which they are obliged to subscribe or procure subscription in accordance with Clause 5 less any amounts payable to the Underwriter pursuant to Clause 8 against delivery by the Company to the Underwriter (or as it may direct) of such documentary evidence of entitlement to the relevant Untaken Shares as is reasonably satisfactory to the Underwriter.
- 6.4. In the event of the Underwriter being called upon to subscribe for or procure subscription for the Untaken Shares pursuant to Clause 5, it shall use its best endeavours to ensure that each of the subscribers and Sub-underwriters of the Untaken Shares procured by it shall be an Independent Third Party. Furthermore, in any event, the Underwriter shall not subscribe, for its own account, and shall ensure

that subscribers and the Sub-underwriters shall not subscribe, for such number of Untaken Shares which will result in the shareholding of it and parties acting in concert (within the meaning of The Takeovers Code) with it in the Company to 10.0% or more of the voting rights of the Company upon the completion of the Rights Issue.

7. ALLOTMENT AND ISSUE

- 7.1. Subject to the fulfilment of the Conditions Precedent, the Company shall, not later than 4:00 p.m. on the Settlement Date, or such later date as may be agreed between the Underwriter and the Company in writing, duly allot and issue the Rights Shares validly applied for and shall issue certificates for the Rights Shares to the relevant subscribers in accordance with the terms of the Prospectus Documents and will procure that the names of the successful subscribers of the Rights Shares (or, where appropriate, HKSCC Nominees Limited) shall be entered in the register of members of the Company as holders of the appropriate number of Rights Shares.
- 7.2. The Untaken Shares taken up by the Underwriter or for which they have procured subscribers as provided in Clause 5 will be duly allotted and issued and certificates in respect thereof, or evidence that the same has been deposited into investor participant or CCASS participant stock account designated by the Underwriter, will be delivered to the Underwriter or as they may direct as soon as is reasonably practicable following receipt by the Company of payment as provided in Clause 5.4, in accordance with Clause 5.5.

8. FEES AND EXPENSES

- 8.1. In consideration of the Underwriter's obligations under this Agreement to underwrite and subscribe or procure subscription for the Underwritten Shares and its services in connection with the Rights Issue, the Company shall, by not later than the date of despatch of the share certificates in respect of the Rights Shares, pay to the Underwriter an underwriting commission of 2.5% of the aggregate Subscription Price in respect of the respective maximum number of Underwritten Shares underwritten by the Underwriter as specified in Clause 5.2 of this Agreement.
- 8.2. The amount referred to in Clause 8.1 shall not be payable if:
- (i) the Conditions Precedent set out in Clause 2.1 are not satisfied in whole by the Latest Time for Termination (or such other time and/or date as stipulated in Clause 2.1) or such other time and/or date as the Company and the Underwriter may agree in writing; or
 - (ii) this Agreement is terminated or rescinded by the Underwriter pursuant to Clause 12.
- 8.3. Out of the commission referred to in Clause 8.1, the Underwriter will pay any commissions, costs and expenses incurred by it in respect of the sub-underwriting of the Underwritten Shares committed by it.

- 8.4. The Underwriter may deduct any outstanding advisory fee payable by the Company to Kingston Corporate Finance Limited (“KCF”) pursuant to the mandate letter dated 5 July 2016 entered into between the Company and KCF (“KCF Letter”), and all reasonable costs, fees and out-of-pocket expenses properly incurred by KCF in connection with the Rights Issue. For the avoidance of doubt, the payment of the advisory fee to KCF as referred to in this Clause shall be made in accordance with the terms and conditions as contained in the KCF Letter if the obligations of the Underwriter under this Agreement become unconditional or are terminated pursuant to Clause 12. In the event of the Underwriter not being called upon to subscribe or procure subscribers pursuant to Clause 5.3 and/or the amount of the subscription moneys payable by the Underwriter to the Company pursuant to Clause 5 being less than the full amount payable by the Company under Clause 8.1, the amounts payable pursuant to the KCF Letter, shall be due and payable as soon as reasonably practicable and in any event not later than the date of despatch of the share certificates in respect of the Rights Shares or such other date as may be agreed between the Company and the Underwriter.
- 8.5. The amounts payable pursuant to Clause 8.1 and Clause 8.4 may be withheld and set-off by the Underwriter from any payment to be made by them to the Company pursuant to Clause 5.4. In the event of the Underwriter not being called upon to subscribe or procure subscribers pursuant to Clause 5.3 and/or the amount of the subscription moneys payable by the Underwriter being less than the full amount payable by the Company under Clause 8.1, the amounts payable pursuant to Clause 8.1 and Clause 8.4, or the balance thereof, shall be due and payable as soon as reasonably practicable and in any event not later than the date of despatch of the share certificates in respect of the Rights Shares or such other date as may be agreed between the Company and the Underwriter.
- 8.6. The Company shall bear its own legal fees, accountancy and other professional fees, the Registrar’s fees, the cost of printing and distributing the Announcement and the Prospectus Documents and all other costs, charges and expenses relating to the issue of the Rights Shares and associated transactions (including, without limitation, all fees payable to the Stock Exchange in connection with the listing of the Rights Shares and capital duty (if any) payable on the issue of its share capital). The Company shall forthwith upon written request by the Underwriter reimburse the Underwriter for any such expenses as are referred to above which the Underwriter may, with the Company’s prior written consent, have properly paid or incurred on behalf of the Company.

9. ANNOUNCEMENTS

Save as expressly required hereunder or as otherwise required by the Stock Exchange or the SFC, no public announcement or communication to Shareholders or to the Stock Exchange or the SFC concerning the Company and/or its subsidiaries which is material in relation to the Rights Issue shall be made or despatched by the Company or the Underwriter between the date hereof and, if all the Underwritten Shares are taken up, the Latest Time for Acceptance, or in any other case, the time at which the Underwriter is obliged to make payment under Clause 5.4, without prior written approval from the Company and the Underwriter as to the content, timing and manner

of making or despatch thereof which approval shall not be unreasonably withheld or delayed.

10. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

10.1. The Company represents and warrants to and undertakes with the Underwriter, the following:

- (i) the facts stated in the Recitals of this Agreement are true and accurate in all material respects;
- (ii) all statements of fact contained or to be contained in the Announcement and the Prospectus Documents are and will at the date of issue thereof be true and accurate and not misleading in all material respects and all expressions of opinion, intention and expectation expressed therein are and will be fair and made after due and careful consideration;
- (iii) there will be no information not disclosed in the Announcement and the Prospectus Documents: (a) the omission of which makes any statement therein misleading in any material respect or which, in the context of the issue of the Rights Shares, might be material for disclosure therein; or (b) which is necessary to enable investors to make an informed assessment of the activities, assets and liabilities, financial position, management, profits and losses and prospects of the Group and of the rights attaching to the Rights Shares;
- (iv) subject to matters disclosed in the Company's announcements, circulars and documents issued and published to the public since the Audited Accounts Date, the audited consolidated balance sheet of the Group as at the Audited Accounts Date, the audited consolidated profit and loss account of the Group for the financial year ended on such date (including the notes thereto) were prepared in accordance with the applicable law and on a basis consistent with that adopted in preparing the audited accounts for the previous two financial years in accordance with accounting principles, standards and practices generally accepted in Hong Kong so as to give (except to the extent (if any) disclosed therein) a true and fair view of the state of affairs of the Group as at the relevant dates and the profit or loss of the Group for the relevant financial periods. Subject to matters disclosed in the Company's announcements, circulars and documents issued and published to the public since the Audited Accounts Date, there has been no material adverse change in the financial or trading position of the Group since the Audited Accounts Date; there has been no material adverse change, or any development involving a prospective material adverse change, in the prospects, results of operations or position, financial or otherwise, or the business of the Group; and there has been no material damage, destruction, interference or loss (whether or not covered by insurance) affecting the said business or assets; neither the Company nor any of its subsidiaries has acquired, sold, transferred or otherwise disposed of any material assets of whatsoever nature or cancelled or waived or released or discounted in whole or in part any material debts or claims, except in each case in the ordinary course of business and on normal commercial terms; and

neither the Company nor any of its subsidiaries have purchased or reduced any of their respective share capital

- (v) the returns for taxation purposes, which ought to have been made by or in respect of the companies in the Group in Hong Kong and any other part of the world, have been duly made and there are no circumstances known to any company in the Group or any of their respective directors, after making due and careful enquiry, which might be the occasion of any dispute with the relevant revenue or other appropriate authorities which is materially adverse to the Group and all such returns are in all material respects up to date, correct and on a proper basis and are not the subject of any material dispute with the relevant revenue or other appropriate authorities;
- (vi) there are existing valid policies of insurance against all liabilities, risks and losses against which it is normal or prudent to insure in respect of all major property and assets owned by and all businesses carried on by the companies in the Group and nothing has been done or has been omitted to be done whereby any of the said policies has or may become void or is likely to be avoided;
- (vii) the statements, forecasts, estimates and expressions of opinion, intention and expectation to be contained in the Announcement or the Prospectus Documents will at the respective dates of issue thereof be made after due and proper consideration, will at the respective dates of issue thereof be fair and honest and represent reasonable expectations based on facts known or which on reasonable enquiry ought to have been known to the Company and/or the Directors or any of them;
- (viii) all information necessary for the purpose of, or in the course of preparation of, the Announcement and the Prospectus Documents, was so disclosed or made available to the Underwriter or its legal advisers fully, fairly and accurately;
- (ix) each of the companies in the Group is duly incorporated in and under the laws of its place of incorporation and has full power and authority to conduct its business as now carried on;
- (x) saved as disclosed in the interim report of the Company for the six months ended 30 September 2015, neither the Company nor any of its subsidiaries is engaged in any litigation, arbitration, prosecution or other legal proceeding of material importance nor, is there: (a) any such proceeding pending or threatened against the Company or any of its subsidiaries, or (b) so far as the Company is aware, any claim or fact likely to give rise to any claim which in any such case may have or has had a material adverse effect on the financial position of the Company and its subsidiaries taken as a whole or which may have or has had a material adverse effect in the context of the Rights Issue;
- (xi) except as has been disclosed by the Company by public announcements to Shareholders, neither the Company nor any of its subsidiaries has entered into any contract or commitment of an unusual or onerous nature which, in the context of Rights Issue, might be material for disclosure;

- (xii) each of the Company and its subsidiaries has carried on its business in the ordinary and usual course and there has been no material adverse change in the financial or trading position of the Company or any of its subsidiaries which has not been fully and properly disclosed by the Company in accordance with the Listing Rules or otherwise as required by the Listing Rules;
- (xiii) no order has been made and no resolution has been passed for the winding up of, or for a provisional liquidator to be appointed in respect of, the Company or any of its subsidiaries, and no petition has been presented and no meeting has been convened for the purpose of winding up any of the same; no receiver has been appointed in respect of the Company or any of its subsidiaries or all or any of its assets;
- (xiv) none of the Company or any of its subsidiaries is insolvent, or unable to pay its debts within the meaning of section 178 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance, or has stopped paying its debts as they fall due; and no unsatisfied judgment which is materially adverse to the condition of the Company is outstanding against the Company or any of its subsidiaries;
- (xv) the Announcement, the Circular and the Prospectus Documents, when issued, will contain all particulars and information required by, and will be in accordance with the Companies Ordinance, the Companies (Winding Up and Miscellaneous Provisions) Ordinance, the Listing Rules, the rules and regulations of the Stock Exchange and all other relevant statutory provisions and governmental regulations in Hong Kong and Bermuda (where applicable);
- (xvi) no material outstanding indebtedness or guarantee or indemnity of any liability of the Company or any of its subsidiaries has become payable by reason of default by the Company or any of its subsidiaries and no event has occurred or is pending which with the lapse of time or the fulfilment of any condition or the giving of notice or the compliance with any other formality may result in any such indebtedness or guarantee or indemnity of any liability becoming so payable;
- (xvii) the Company shall not, from the date hereof until completion of the Rights Issue:
 - (a) issue any new Shares except pursuant to an exercise of outstanding Share Options;
 - (b) issue or grant any options or other securities convertible into, exchangeable for or which carry rights to acquire; or
 - (c) repurchase any Shares;
- (xviii) on the date of issue of the Rights Shares, the Company will have the power under its Bye-laws, will have taken all necessary corporate or other action to enable it to, and no other consents, actions, authorisations or approvals are

necessary to enable or authorise it other than the obtaining of consents and approvals referred to in Clause 2.1:

- (a) to issue and allot the Rights Shares in accordance with the Prospectus Documents without any sanction; and
 - (b) to enter into and perform its obligations under this Agreement and to make the Rights Issue;
- (xix) the Rights Shares, when allotted and issued, will be issued free from all liens, charges, encumbrances and third party rights, interests or claims of any nature whatsoever and will rank *pari passu* in all respects among themselves and with the Shares then in issue on the date of allotment and issue of the Rights Shares;
- (xx) no holder of any of the Rights Shares is or will be responsible for any liability of the Company by virtue only of his holding of any such Rights Shares (except to the extent of the amount payable for such Rights Shares on subscription under the terms of the Rights Issue). Except as set forth in the memorandum of association and bye-laws of the Company or the Prospectus Documents, there are no limitations on the rights of holders of Rights Shares under Bermuda law to hold or vote or transfer their shares, and
- (xxi) the obligations of the Company under this Agreement constitute legally valid and binding obligations of the Company enforceable in accordance with the terms herein.
- 10.2. The Company agrees to use all reasonable endeavours not to cause or permit any Specified Event to occur prior to the Latest Time for Termination. Each of the representations, warranties and undertaking contained in Clause 10.1 shall be construed separately and shall not be limited or restricted by reference to or inference from the terms of any other of the representations, warranties and undertaking or any other terms of this Agreement. If this Agreement is not rescinded pursuant to Clause 12, all such warranties, representations and undertakings as are contained in Clause 10.1 above shall be deemed to have been repeated as at the Latest Time for Termination with reference to the facts and circumstances then subsisting.
- 10.3. If any Specified Event shall occur or come to the knowledge of the Company prior to the Latest Time for Termination, it shall forthwith give notice to the Underwriter of the same.

11. INDEMNITY

- 11.1. The Company shall on demand indemnify the Underwriter and shall on demand hold the Underwriter indemnified against all reasonable loss or liability of any nature (including, without limitation, claims, costs, charges and expenses) whatsoever arising from or in respect of any material breach by the Company of any provision of this Agreement, or any material claim for which judgment or award has been made or entered against the Underwriter or settled with the consent of the Company in each

case arising out of or in relation to or by reason of the performance by the Underwriter of its obligations hereunder (and provided that such loss or liability is not connected with any failure by the Underwriter to comply with its obligations under Clause 5), by any subscriber or Sub-Underwriter of any of the Rights Shares claiming that he has suffered loss in respect of them as a result of:

- (i) the Announcement, the Circular or the Prospectus Documents not containing all the material information required by law or the Listing Rules or pursuant to the rules of the Stock Exchange or other relevant authority or body to be stated therein or on the grounds that any statement, estimate or forecast contained in the Prospectus Documents is untrue, inaccurate or misleading in any material respect;
- (ii) the Announcement, the Circular or the Prospectus Documents failing to disclose sufficient information necessary to enable an informed assessment to be made by a sophisticated investor of the assets and liabilities, financial position, profits and losses, and prospects of the Group or of the rights attaching to the Rights Shares;
- (iii) any claims and proceedings arising out of matters which constitute a material breach of the representations and warranties in Clause 10;
- (iv) other than non-compliance or breach by the Underwriter of its obligations under this Agreement, any breach of the laws or regulations of any country resulting from the allotment or issue of the Rights Shares or the distribution of the Prospectus Documents;
- (v) any material misrepresentation by either the Company or any of its directors or any employee of the Company in connection with the Rights Issue ; or
- (vi) the allotment or issue of the Rights Shares,

including in any such case (but without prejudice to the generality of the foregoing) all reasonable costs, charges and expenses of whatever nature which the Underwriter may properly incur or bear in disputing any such claim made against it or establishing any claim on its part under this Clause 11 provided that this indemnity shall not relate to any claims, proceedings, costs or expenses arising from any gross negligent act, wilful omission or default, or fraud on the part of the Underwriter.

- 11.2. The Company shall not make any claim against the Underwriter to recover any damages which the Company may suffer arising out of the performance by the Underwriter of its obligations hereunder, unless such damages arise from any gross negligent or unlawful act, wilful omission or default or fraud on the part of the Underwriter.
- 11.3. If the Underwriter becomes aware of any claim relevant for the purposes of Clause 11.1, it shall forthwith give notice in writing thereof to the Company and shall take such action as the Company may reasonably request to avoid, dispute, resist, defend or appeal against the claim and any adjudication in respect thereof but subject to the Underwriter being fully indemnified and secured to its satisfaction, acting reasonably,

against all losses and expenses to which it might thereby render itself liable to suffer and incur including, without limitation, legal expenses properly incurred by its legal advisers.

12. RESCISSION AND TERMINATION

12.1. If, prior to the Latest Time for Termination (provided that for the purposes of this Clause 12 if the date of the Latest Time for Termination shall be a business day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains in force in Hong Kong between 9.00 a.m. and 4.00 p.m. on that day, the date of the Latest Time for Termination shall be the next business day on which no tropical cyclone warning signal no. 8 or above and no black rainstorm warning signal is or remains in force in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day):

- (i) in the absolute opinion of the Underwriter, the success of the Rights Issue would be materially and adversely affected by:
 - (a) 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 Underwriter 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 Rights Issue; or
 - (b) 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 Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (ii) 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 Underwriter is likely to materially or adversely affect the success of the Rights Issue or otherwise makes it inexpedient or inadvisable to proceed with the Rights Issue; or
- (iii) any change in the circumstances of the Company or any member of the Group occurs which in the absolute opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing, the presentation of a petition or the passing of a resolution for the

liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or

- (iv) any event of force majeure occurs, 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
- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole occurs, whether or not *ejusdem generis* with any of the foregoing; or
- (vi) any matter occurs which, had it arisen or been discovered immediately before the date of the Prospectus and not having been disclosed in the Prospectus, would have constituted, in the absolute opinion of the Underwriter, a material omission in the context of the Rights Issue; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than 10 consecutive business days occurs, excluding any halt or suspension in connection with the clearance of the Announcement or the Prospectus Documents or other announcements or circulars in connection with the Rights Issue; or
- (viii) any moratorium, suspension or material restriction on trading of the Shares on the Stock Exchange occurs due to exceptional financial circumstances or otherwise,

the Underwriter shall be entitled by notice in writing to the Company and the other Underwriter, served prior to the Latest Time for Termination, to terminate this Agreement.

12.2. The Underwriter shall be entitled by notice in writing to rescind this Agreement if, prior to the Latest Time for Termination:

- (i) any material breach of any of the representations, warranties or undertakings contained in Clause 10.1 comes to the knowledge of the Underwriter; or
- (ii) any Specified Event comes to the knowledge of the Underwriter.

Any such notice shall be served by the Underwriter prior to the Latest Time for Termination.

12.3. If prior to the Latest Time for Termination any such notice as referred to in Clause 12.1 or Clause 12.2 above is given by the Underwriter, the obligations of the Parties under this Agreement (save and except this Clause 12.3 and Clauses 11, 14 and 16 which shall remain in full force and effect) 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.

12.4. If this Agreement is terminated by the Underwriter at such time before the Latest Time for Termination but after the Underwriter has in accordance with Clause 5.4 paid

or procured payment to the Company of the aggregate Subscription Price in respect of the Untaken Shares for which the Underwriter is obliged to subscribe or procure subscription under the provisions of Clause 5, the Company shall, not later than the end of the second business day after (but not including) the date of receipt of the notice of termination issued by the Underwriter pursuant to Clause 12.1 or Clause 12.2, remit to the Underwriter such amount of aggregate Subscription Price which it has received from the Underwriter. For the avoidance of doubt, notwithstanding the payment of any sum by or to the Company, Clause 8.2 shall apply and the amount referred to in Clause 8.1 in any event shall not be payable.

- 12.5. Rescission or termination of this Agreement under this Clause 12 shall be without prejudice to any rights of any Party in respect of any breach by the others prior to such rescission or termination.

13. TIME OF THE ESSENCE

Any time, date or period mentioned in this Agreement may be extended by agreement among the Parties hereto, but as regards any time, date or period originally fixed or any time, date or period so extended as aforesaid, time shall be of the essence.

14. NOTICES

- 14.1. Any notice required to be given hereunder will be deemed to be duly served if left at or sent by hand, by telex or facsimile transmission or pre-paid post to the registered office or to the following addresses and facsimile numbers and marked for the attention of the following persons:

<u>Party</u>	<u>Address</u>	<u>Facsimile number</u>
The Company	5/F., Wai Yuen Tong Medicine Building 9 Wang Kwong Road Kowloon Bay, Kowloon Hong Kong <u>Attention: Mr. Thomas Chan</u>	(852) 2312 8148
The Underwriter	Kingston Securities Limited Suite 2801, 28 th Floor One International Finance Centre 1 Harbour View Street Hong Kong <u>Attention: Ms. Rosita Kiu</u>	(852) 2295-0682

- 14.2. Any such notice will be deemed to be served if sent by facsimile on receipt of answerback, if sent by hand at the time when the same is handed to or left at the address of the Party to be served, and if sent by post on the day (excluding Sundays or Hong Kong public holidays) after the day of posting.

- 14.3. The Company shall issue a written notice to the Underwriter if there is any change in the timetable in respect of the Rights Issue.

15. MISCELLANEOUS

- 15.1. This Agreement may be executed in any number of counterparts which when executed and delivered is an original, but all the counterparts together constitute the same document.
- 15.2. Any liability of any Party hereunder to any other Party may in whole or in part be released, compounded or compromised and time or indulgence may be given by any Party hereunder as regards any other Party under such liability without prejudicing that Party's rights against any other person under the same or a similar liability.

16. GOVERNING LAW, JURISDICTION AND PROCESS AGENT

- 16.1. This Agreement shall be governed by and construed in accordance with the laws of Hong Kong.
- 16.2. The Parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong in connection herewith.

17. SUCCESSORS AND ASSIGNEES

This Agreement shall be binding on and enure for the benefit of each Party's personal representative, successors and (where permitted) assignees.

No part of this Agreement may be assigned by any Party without the prior written consent of the other Party hereto.

18. COUNTERPARTS

This Agreement may consist of a number of counterparts and the counterparts taken together constitute one and the same instrument.

19. FURTHER ASSURANCE

Each of the Parties hereto shall give all such assistance and provide all such information as the other Party shall require for the purposes of this Agreement and shall execute all such documents and do all such acts and things as the other Party may reasonably require from time to time in order to give effect to the terms of and transactions contemplated under this Agreement.

20. SEVERABILITY

If at any time one or more of the provisions of this Agreement is or becomes invalid, illegal, unenforceable or incapable of performance in any respect, the validity, legality, enforceability or performance of the remaining provisions of this Agreement shall not thereby in any way be affected or impaired.

21. RIGHTS OF THIRD PARTIES

No term of this Agreement is enforceable under the Third Parties Ordinance by a person who is not a party to this Agreement.

IN WITNESS WHEREOF this Agreement has been entered into the day and year first above written.

THE COMPANY

SIGNED by Chan Chun Hong, Thomas)

for and on behalf of)
WAI YUEN TONG MEDICINE)
HOLDINGS LIMITED)

in the presence of:)

THE UNDERWRITER

SIGNED by)

for and on behalf of)
KINGSTON SECURITIES LIMITED)

in the presence of: Alan Wang)

Wong Mip / Kering

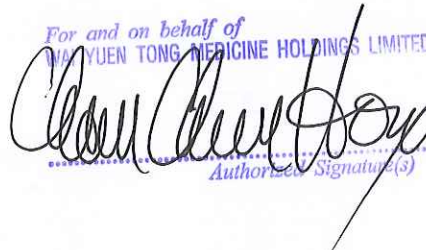
IN WITNESS WHEREOF this Agreement has been entered into the day and year first above written.

THE COMPANY

SIGNED by Chan Chun Hong, Thomas)

for and on behalf of)
WAI YUEN TONG MEDICINE)
HOLDINGS LIMITED)

in the presence of:)

For and on behalf of
WAI YUEN TONG MEDICINE HOLDINGS LIMITED

Authorized Signature(s)

THE UNDERWRITER

SIGNED by)

for and on behalf of)
KINGSTON SECURITIES LIMITED)

in the presence of:)