

DATE: 26 October 2021

AUX INTERNATIONAL HOLDINGS LIMITED
(as issuer)

and

HUIRI LIMITED
(as subscriber)

SUBSCRIPTION AGREEMENT

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THIS AGREEMENT is dated the 26th day of October 2021 and made

BETWEEN:

- (1) **AUX INTERNATIONAL HOLDINGS LIMITED**, a company incorporated in the Cayman Islands with limited liability having its registered office at Clifton House, 75 Fort Street, P.O. Box 1350 Grand Cayman, KY1-1108, Cayman Islands and its principal place of business in Hong Kong at Unit 1, 10/F., Emperor Group Centre, 288 Hennessy Road, Wan Chai, Hong Kong (the “**Company**”); and
- (2) **HUIRI LIMITED**, a company incorporated in the British Virgin Islands with limited liability having its registered office at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola VG1110, British Virgin Islands and its correspondence address at Suit 4018,40F, Jardine House, 1 Connaught Place, Central, Hong Kong (the “**Subscriber**”).

WHEREAS:

- (A) The Company is a company incorporated in the Cayman Islands with limited liability whose issued shares are listed and traded on the Main Board of the Stock Exchange. As at the date hereof, the Company has an authorised share capital of HK\$100,000,000 divided into 10,000,000,000 Shares of HK\$0.01 each, of which 374,984,000 Shares have been issued and are fully paid or credited as fully paid.
- (B) The Company has agreed to allot and issue, and the Subscriber has agreed to subscribe for, 118,000,000 new Shares (the “**Subscription Shares**”) on the terms and subject to the conditions set forth in this Agreement.
- (C) Application will be made to the Stock Exchange by the Company for listing of, and permission to deal in, the Subscription Shares.

IT IS HEREBY AGREED:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement (including the Recitals above), the following expressions shall, unless the context requires otherwise, have the following meanings:

“Agreement”

means this subscription agreement as amended or varied from time to time by an agreement in writing duly executed by the Parties;

“Business Day”

means any day (excluding a Saturday, Sunday and any other public holiday and any day on which a tropical cyclone warning no.8 or above

or a “black” rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks in Hong Kong are open for general banking business;

“Closing”

means the closing of the Subscription;

“Closing Date”

means the fifteenth Business Day after the date on which all conditions set forth in Clause 3.1 are fulfilled (other than any condition in Clause 3.1 which is expressed to be fulfilled on or as at the Closing Date, but subject to the fulfilment of such condition), or such later time and/or date as the Parties may agree in writing;

“Companies Ordinance”

means the Companies Ordinance (Cap. 622 of the Laws of Hong Kong);

“Directors”

means the directors of the Company;

“EGM”

means the extraordinary general meeting to be convened by the Company to consider and, if thought fit, among other things, to approve (i) this Agreement and the transactions contemplated hereunder, including the Subscription and the issue and allotment of the Subscription Shares; and (ii) the grant of a specific mandate to the Company to allot and issue the Subscription Shares;

“Group”

means the Company and its subsidiaries, and the expression “**member(s) of the Group**” shall be construed accordingly;

“Hong Kong”

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

“HK\$”

means Hong Kong dollars, the lawful currency of Hong Kong;

“Inside Information”

has the meaning ascribed to it in Part XIV of the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong)

“Listing Rules”

means the Rules Governing the Listing of Securities on the Stock Exchange;

“Long Stop Date”

means 31 January 2022, or such other time and date as the Parties may agree in writing;

“Parties”

means the named parties to this Agreement and their respective successors and permitted assigns;

“SFC”

means the Securities and Futures Commission of Hong Kong;

“Shares”

means ordinary shares of a par value of HK\$0.01 each in the share capital of the Company;

“Stock Exchange”

means The Stock Exchange of Hong Kong Limited;

“Subscription”

means the subscription by the Subscriber for the Subscription Shares on the terms and subject to the conditions set forth in this Agreement;

“Subscription Price”

means HK\$0.63 per Subscription Share;

“Subsidiary”

means a company which is for the time being and from time to time a subsidiary (within the meaning of the Companies Ordinance) of another company; and

“Takeovers Code”

means the Code on Takeovers and Mergers of Hong Kong.

1.2 Construction and Certain References

- (a) Any reference to a document being “in the agreed form” means in the form of the document or the draft thereof signed for identification on behalf of the Subscriber and the Company with (in the case of a draft) such alterations (if any) as may be agreed between the Subscriber and the Company.
- (b) References in this Agreement to persons include references to bodies corporate and references to the singular include references to the plural and vice versa.
- (c) References to Recitals, Clauses and Schedule are to the recitals, clauses and schedule of or to this Agreement.
- (d) In this Agreement, (save as otherwise expressly stated herein) references to any statute, statutory provision or rule of the Listing Rules include references to that statute, statutory provision or rule of the Listing Rules as from time to time amended, extended or re-enacted.

- (e) In this Agreement, where any statement is qualified by the expression “so far as the Company is aware”, that statement shall be deemed to include an additional statement that it has been made after due and careful enquiry.
- (f) In this Agreement, a time of a day is a reference to the time in Hong Kong, unless a contrary indication appears.

1.3 Headings are for convenience only and shall not affect the interpretation of this Agreement.

2. AGREEMENT TO SUBSCRIBE

2.1 Subject to the fulfilment of the conditions set forth in Clause 3.1, the Subscriber agrees to subscribe as principal for, and the Company agrees to allot and issue to the Subscriber, the Subscription Shares at the Subscription Price, free from all liens, charges, security interests, encumbrances and adverse claims on the Closing Date on the terms and subject to the conditions set forth in this Agreement.

2.2 The Company agrees that the Subscription Shares will, when fully paid, rank *pari passu* in all respects among themselves and with the other Shares in issue as at the Closing Date, including the rights to all dividends and other distributions declared, made or paid at any time on or after the Closing Date.

3. CONDITIONS

3.1 Closing is conditional upon:

- (a) the listing of and permission to deal in all the Subscription Shares on the Main Board of the Stock Exchange being granted by the Listing Committee of the Stock Exchange, and such listing and permission not subsequently being revoked prior to the delivery of definitive share certificate(s) representing the Subscription Shares;
- (b) the independent shareholders of the Company approving (i) this Agreement and the transactions contemplated hereunder, including the Subscription and the issue and allotment of the Subscription Shares; and (ii) the grant of a specific mandate to the Company to allot and issue the Subscription Shares, at the EGM;
- (c) this Agreement not having been terminated by the Parties pursuant to Clause 7 below; and
- (d) all representations, warranties and undertakings of the Company and the Subscriber remaining true, accurate and not misleading in all material aspects as at the Closing Date.

- 3.2 Each of the Company and the Subscriber shall use its best endeavours to procure the fulfilment of the conditions set forth in Clause 3.1 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 reasonably be required by the other, the Stock Exchange and/or the SFC in connection with the fulfilment of such conditions and the Company will inform the Subscriber promptly following fulfilment of the conditions set forth in Clauses 3.1(a) and (b).
- 3.3 If the conditions set forth in Clause 3.1 are not fulfilled on or prior to the Long Stop Date, this Agreement shall terminate and neither of the Parties will have any claim against the other for costs, damages, compensation or otherwise save for any antecedent breach of this Agreement.

4. CLOSING

- 4.1 Subject to the fulfilment of the conditions set forth in Clause 3.1 and further subject to the performance by the Subscriber of its obligations under Clause 4.2, Closing shall take place at 4:00 p.m. at the principal place of business in Hong Kong of the Company on the Closing Date or such other time and/or place as the Parties may agree in writing, at which time the Company shall:
- (a) allot and issue to the Subscriber, and/or the nominee(s) of the Subscriber as it may direct, the Subscription Shares and shall procure that the Subscriber and/or its nominee(s) are registered on the branch register of the Company in Hong Kong as a member or members of the Company in respect thereof and shall cause to be delivered to the Subscriber definitive share certificate(s) in respect of the Subscription Shares in the name of the Subscriber and/or its nominee(s) as the Subscriber may direct in board lots (as nearly as practicable) or otherwise as the Subscriber may direct; and
 - (b) deliver to the Subscriber certified copies of the resolutions of the Directors allotting the Subscription Shares pursuant to Clause 4.1(a).
- 4.2 On or before the Closing Date, the Subscriber shall deliver to the Company an application for the Subscription Shares signed by the Subscriber or such other person(s) as may be nominated by the Subscriber substantially in the form set forth in the Schedule.
- 4.3 On the Closing Date, the Subscriber shall make or procure the making of payment in HK\$ for value on the Closing Date to the Company of the aggregate Subscription Price of the Subscription Shares to the bank account nominated for this purpose by the Company not less than one Business Day prior to the Closing Date or in such other manner as may be agreed between the Parties, which shall constitute a complete discharge of the Subscriber's obligations in respect of payment of the aggregate Subscription Price of the Subscription Shares under this Agreement.

5. EXPENSES

- 5.1 Each Party shall be liable for its own costs and expenses incurred in connection with this Agreement and the Subscription.

6. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- 6.1 In consideration of the Subscriber entering into this Agreement and agreeing to perform its obligations hereunder, the Company hereby represents and warrants, in relation to the Subscription Shares, to and for the benefit of the Subscriber as follows:

- (a) the Company is duly incorporated and validly existing under the laws of the place of its incorporation with power to conduct its business in the manner presently conducted and the information contained in the Recitals is true and accurate;
- (b) all necessary consents and authorisations (save for the listing of and permission to deal in all the Subscription Shares on the Main Board of the Stock Exchange to be granted by the Listing Committee of the Stock Exchange as referred to in Clause 3.1(a), and the approval of the independent shareholders of the Company as referred to in Clause 3.1(b)) have been obtained to enable the Company to allot and issue the Subscription Shares, the Company has power under its constitutional documents to enter into this Agreement and the entering into of this Agreement is duly authorised and this Agreement, when duly executed, will constitute valid and legally binding and enforceable obligations of the Company;
- (c) the Subscription Shares will be allotted and issued in accordance with the memorandum and articles of association of the Company and with all relevant laws of Hong Kong, the Cayman Islands and the applicable rules and regulations of the Stock Exchange (including but not limited to the Listing Rules) and will rank *pari passu* in all respects *inter se* and with all other Shares in issue on the Closing Date;
- (d) the Subscription Shares will on allotment and issue be free from all liens, charges, encumbrances and third party rights of whatsoever nature and will be allotted and issued together with all rights attaching thereto as at the Closing Date, including the right to receive all dividends and other distributions which may be declared, made or paid in respect of the Shares, the record date for which shall fall on or after the Closing Date; and
- (e) the public float percentage of the Company is as at the date of this Agreement and will upon Closing continue to be in compliance with the requirements under rules 8.08(1) and 13.32(1) of the Listing Rules.

The provisions of this Clause 6.1 shall only apply to the Company to the extent and/or in circumstances where it is lawful for the Company to make the

representations, warranties and undertakings contained in this Clause 6.1 or to make a payment as a result of any claim in respect of them.

- 6.2 The Subscriber represents, warrants and undertakes to the Company that:
- (a) the Subscriber has the power and authority to enter into this Agreement and this Agreement has been duly authorised and when executed will constitute legally binding obligations of the Subscriber, and all necessary authorities have been obtained to enable the Subscription by it;
 - (b) it will accept the Subscription Shares subject to the memorandum and articles of association of the Company;
 - (c) it is subscribing for the Subscription Shares as a principal and not as agent or trustee for any other person;
 - (d) other than in relation to the Subscription, it is not in possession of any inside information relating to the Company which has not been disclosed on the website of the Stock Exchange; and
 - (e) it will not launch a general offer for the outstanding issued Shares immediately upon closing of the Subscription.
- 6.3 Save for any announcement and/or circular as shall be required to be published and/or despatched by the Company under the Listing Rules or any other applicable law or regulation or in order to comply with any legal or regulatory requirements (including without limitation any requirement that may from time to time be imposed by the Stock Exchange and/or the SFC), each of the Parties hereby undertakes to the other to procure that no disclosure or public announcement or communication concerning the Subscription and/or the Company shall be made or despatched between the date hereof and the Closing Date (both dates inclusive) without the prior written consent (such consent shall not be unreasonably withheld or delayed) of the other Party as to the contents, context, timing and manner of making or despatch thereof.
- 6.4 Each Party hereby represents and warrants to the other Party that all statements of facts relating to himself/itself contained or to be contained in the announcement(s) issued or to be issued by the Company in connection with this Agreement and the transactions contemplated hereunder on or around the date of this Agreement (collectively, the “**Announcement(s)**”) are true and accurate in all material respects and are not misleading in the context of the Subscription and all expressions of opinion, expectation and intention expressed therein are and will at the date of issue thereof be made by or on his/its behalf and are in all respects made on reasonable grounds and are truly and honestly held and fairly based and that there are no facts known or which could on reasonable inquiry have been known to the relevant Party or (where applicable) any of its directors and which are not disclosed in the Announcement(s) the omission of which would make any statement in the Announcement(s) misleading or which might reasonably be considered to be material for disclosure.

- 6.5 The Subscriber hereby undertakes to the Company to provide the Company promptly with all such information as shall reasonably be required by the Stock Exchange, the SFC or any other regulatory authority.
- 6.6 The representations, warranties and undertakings contained in this Clause 6 shall remain in full force and effect notwithstanding Closing. Each of the Company and the Subscriber (as the case may be) hereby undertakes to notify the other Party of any matter or event coming to his/its attention prior to Closing which shows any relevant representation, warranty or undertaking to be or to have been untrue or inaccurate as at the date hereof or at any time prior to Closing.

7. TERMINATION

- 7.1 Notwithstanding anything contained in this Agreement, the Company and/or the Subscriber shall be entitled by notice given to the other Party at any time prior to the Closing Date to terminate this Agreement.
- 7.2 If notice is given pursuant to Clause 7.1 above, this Agreement shall terminate and be of no further effect and neither Party shall be under any liability to the other in respect of this Agreement other than in respect of any liabilities which have arisen prior to such termination.

8. LIMITATION OF LIABILITIES

- 8.1 The liability of the Company in respect of any breach of any representation, warranty or undertaking contained in this Agreement shall be limited as provided in this Clause 8.
- 8.2 The aggregate amount of liability of the Company for all claims made in connection with the representations, warranties and undertakings contained herein shall not exceed the aggregate Subscription Price for the Subscription Shares.
- 8.3 The Company shall not be liable for any claim in respect of any representation, warranty or undertaking contained herein unless the Company shall have received from the Subscriber written notice of such claim specifying in reasonable detail the event of default to which the claim relates and the nature of the breach and (if capable of being quantified at that time) the amount claimed not later than the expiry of the period of one year from the Closing Date; and the Subscriber shall reimburse to the Company an amount equal to any sum paid by the Company to satisfy any claim under any representation, warranty or undertaking contained herein which is subsequently and actually recovered by or paid to the Subscriber from or by any third party after deducting all reasonable costs and expenses incurred by the Subscriber arising from or incidental to the recovery of such amount from the third party.

9. **TIME OF THE ESSENCE**

Save as otherwise stated in this Agreement, any date or period mentioned in any Clause may be extended by mutual agreement between the Company and the Subscriber, but, as regards any date or period originally fixed or any date or period so extended as aforesaid, time shall be of the essence.

10. **NOTICES**

10.1 Any notice, claim, demand, court process, document or other communication to be given under this Agreement (collectively "**communication**" in this Clause 10) shall be in writing in either the English or the Chinese language and may be served or given personally or sent to the address or facsimile numbers or email addresses (if any) stated after the relevant Party's name at the beginning of this Agreement or in Clause 10.4 or, where relevant, to the registered office for the time being of the Party to be served, or to such other address (which must be in Hong Kong) as may have been last notified in writing by such Party to the Party serving the communication specifically referring to this Agreement. All communications shall be served by any of the following means and the addressee of a communication shall be deemed to have received the same within the time stated adjacent to the relevant means of despatch:

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

10.2 A communication served in accordance with Clause 10.1 shall be deemed sufficiently served and in proving service and/or receipt of a communication it shall be sufficient to prove that such communication was left at the addressee's address or that the envelope containing such communication was properly addressed and posted or despatched to the addressee's address or that the communication was properly transmitted by facsimile or email to the addressee. In the case of facsimile transmission, such transmission shall be deemed properly transmitted on receipt of a satisfactory report of transmission printed out by the sending machine. A communication served by e-mail shall be deemed properly despatched when the sender receives a return receipt from the mail server of the recipient indicating that the e-mail has been transmitted to and deposited in the recipient's incoming mail box or if the sender has not received any message confirming failure of delivery within 24 hours after despatch of the email.

10.3 Nothing in this Clause 10 shall preclude the service of communication or the proof of such service by any mode permitted by law.

10.4 The initial addresses, facsimile numbers and email addresses of the Parties for the service of communications, the person for whose attention such

communications are to be marked and (where applicable) the person to whom a communication is to be copied are as follows:

<u>Party</u>	<u>Address</u>	<u>Facsimile number</u>	<u>Email address</u>
The Company	Unit 1, 10/F., Emperor Group Centre, 288 Hennessy Road, Wan Chai, Hong Kong Attn: The Board of Directors/ The Company Secretary	(852) 2801 6620	henry.chan@auxint.com
The Subscriber	Suit 4018, 40F, Jardine House, 1 Connaught Place, Hong Kong Attn: The Board of Directors	(852) 2111 3299	yuhong@auxgroup.com

11. GOVERNING LAW, JURISDICTION AND MISCELLANEOUS

- 11.1** This Agreement shall be governed by and construed in accordance with the laws of Hong Kong for the time being in force and the Parties hereby irrevocably submit to the non-exclusive jurisdiction of the Hong Kong courts.
- 11.2** This Agreement may be executed by the Parties in any number of counterparts and on separate counterparts, each of which when so executed shall be deemed an original but all of which shall constitute one and the same instrument and is binding on all Parties. A Party may execute this Agreement and the documents referred to herein on a facsimile or electronic copy counterpart and deliver its signature and seal by facsimile or email.
- 11.3** Unless expressly provided to the contrary in this Agreement or the documents referred to herein, no person other than a Party to this Agreement has any right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) or otherwise to enforce or to enjoy the benefit of any term of this Agreement. Notwithstanding any term of this Agreement, no consent of any third party is required to rescind or vary this Agreement at any time.

SCHEDULE

Form of an application for the Subscription Shares

To: [*]
Date: [*]

Dear Sirs

Subscription of Shares

I/we refer to the subscription agreement dated [*] (“Agreement”) and entered into between (i) [me (namely, [*])/[*]] as subscriber; and (ii) AUX International Holdings Limited (“**Company**”) as issuer. Expressions defined in the Agreement shall have the same meanings where used herein.

Pursuant to the provisions of the Agreement, I/we, as the [Subscriber/nominee[s] of the Subscriber] hereby apply for the following Shares in the capital of the Company subject to the memorandum and articles of association of the Company at the subscription price of HK\$[*] per Share, for an aggregate amount of HK\$[*].

We hereby request the Company to register our name on the branch register of members of the Company in Hong Kong in accordance with the memorandum and articles of association of the Company.

Registered Owner	Address	No. of Shares
[*]	[*]	[*]

You are authorised and requested to allot and issue the Shares to [me/us] and deliver the share certificates representing the Shares to [me/us] at the above address, and receipt of such share certificates at the above address shall be a sufficient discharge of your obligations for the delivery to [me/us] of such share certificates.

[I/We] confirm that [I/we] are subscribing for the Shares as [principal on behalf of ourselves/nominee[s] on behalf of the Subscriber] and not as nominee[s] or agent[s] or trustee[s] for any other person.

Yours faithfully
[For and on behalf of]
[*]

Name:
[Title: Director]

AS WITNESS the hands of the Subscriber and the duly authorised representative(s) of the Company on the day and year first before written.

THE SUBSCRIBER

SIGNED by
Huiru Limited
in the presence of

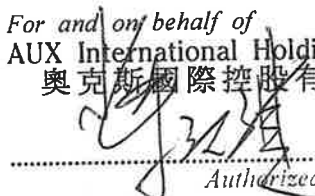

For and on behalf of
HUIRU LIMITED
匯日控股有限公司

THE COMPANY

.....
Authorised Signature(s)

SIGNED by)
)
for and on behalf of)
AUX International Holdings Limited)
in the presence of)

For and on behalf of
AUX International Holdings Limited
奧克斯國際控股有限公司


.....
Authorized Signature(s)