

Dated the 27 day of May 2016

**Tsang Chi Hung**  
(曾智雄)  
(as vendor 1)

and

**Wan Liangliang**  
(萬亮亮)  
(as vendor 2)

and

**Loyal Salute Limited**  
(as purchaser)

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**SALE AND PURCHASE AGREEMENT**  
in relation to  
60% of the issued share capital of  
**GENERAL VENTURE ENTERPRISES LIMITED**

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LOONG & YEUNG  
Suites 2001-2006, 20th Floor  
Jardine House  
1 Connaught Place  
Central, Hong Kong

**THIS AGREEMENT** is made the 27th day of May 2016

**BETWEEN:-**

- (1) **Tsang Chi Hung (曾智雄)**, a holder of Hong Kong permanent identity card number K190785(9) whose address is at Flat C, 6/F, No. 248 Chatham Road North, Hung Hom, Kowloon, Hong Kong ("**Vendor 1**");
- (2) **Wan Liangliang (萬亮亮)**, a holder of PRC resident identity card number 342122197611274680 whose address is at No. 461, Group 4, Han Chen Village, Chen Ji Town, Yongcheng City, Henan Province ("**Vendor 2**", together with Vendor 1 collectively referred to as the "**Vendors**"); and
- (3) **Loyal Salute Limited**, a company incorporated with limited liability in the British Virgin Islands, whose registered office is situated at NovaSage Chambers, P.O. Box 4389, Road Town, Tortola, British Virgin Islands ("**Purchaser**").

**WHEREAS:-**

- (A) The Target Company was incorporated in Seychelles on 28 December 2015. Further information and particulars concerning the Target Company and the Subsidiaries are set out in Schedules 1 and 2.
- (B) As at the date of this Agreement, the Target Company has issued 1,000 shares which are fully paid up. Vendor 1 is the registered and beneficial owner of 50% of the issued share capital of the Target Company, and Vendor 2 is the registered and beneficial owner of 50% of the issued share capital of the Target Company. The Sale Shares represent an aggregate of 60% of the issued share capital of the Target Company.
- (C) The Purchaser is a wholly-owned subsidiary of the Company whose issued shares are listed on the GEM.
- (D) The Vendors have agreed to sell the Sale Shares and the Purchaser has agreed to purchase the Sale Shares on and subject to the terms and conditions set out in this Agreement.

IT IS AGREED as follows:-

1. Interpretation

(A) In this Agreement:-

<b>"Business Day"</b>	means a day (other than Saturday or Sunday) on which banks are generally open for banking business in Hong Kong;
<b>"Business Information"</b>	means all information, know-how and records (whether or not confidential and in whatever form held) including (without limitation) all formulae, designs, specifications, drawings, data, manuals and instructions and all customer lists, sales information, business plans and forecasts, and all technical or other expertise and all computer software and all accounting and tax records, correspondence, orders and inquiries;
<b>"Company"</b>	King Force Group Holdings Limited (冠輝集團控股有限公司), a company incorporated in the Cayman Islands and the issued shares of which are listed on the GEM
<b>"Companies Ordinance"</b>	means the Companies Ordinance, Cap. 622 of the Laws of Hong Kong;
<b>"Completion"</b>	means completion of the sale and purchase of the Sale Shares;
<b>"Completion Date"</b>	means the 7 <sup>th</sup> Business Day after all the Conditions have been fulfilled or such other date as the parties hereto may mutually agree in writing on which Completion is to take place;
<b>"Conditions"</b>	means the conditions set out in clause 3(A) and "Condition" means any or a specific one of them;
<b>"Confidential Business"</b>	means Business Information which is confidential or not

<b>Information”</b>	generally known;
<b>“Consideration”</b>	means the consideration equivalent to a total amount of HK\$80,000,000 (subject to adjustment) payable for the Sale Shares pursuant to the terms of this Agreement;
<b>“Consideration Shares”</b>	means 80,000,000 ordinary shares and 80,000,000 ordinary shares of the Company to be issued and allotted to Vendor 1 and Vendor 2, respectively, at the issue price of HK\$0.5 per share (equivalent to the total amount of the Consideration of HK\$80,000,000 (subject to adjustment));
<b>“Disclosed”</b>	means the matters fully, fairly and specifically disclosed by the Vendors in this Agreement;
<b>“GEM”</b>	the Growth Enterprise Market of the Stock Exchange
<b>“GEM Listing Rules”</b>	means the Rules Governing the Listing of Securities on the GEM;
<b>“Group”</b>	means the Target Company and the Subsidiaries and the term “Group Company(ies)” shall be construed as the company(ies) of the Group;
<b>“Hong Kong”</b>	means the Hong Kong Special Administrative Region of the PRC;
<b>“HK\$” and “Hong Kong dollar”</b>	means Hong Kong dollar, the lawful currency of Hong Kong;
<b>“Immovable Property”</b>	means freehold, leasehold or other immovable property in any part of the world;
<b>“Intellectual Property”</b>	means patents, trade marks and service marks, rights in designs, trade or business names, copyrights and topography rights (whether or not any of these is registered and including applications for registration of any such thing) and rights under licences and consents in relation to any such thing and all rights or forms of

protection of a similar nature or having equivalent or similar effect to any of these which may subsist anywhere in the world;

<b>“Long Stop Date”</b>	means 60 days from the date of this Agreement or such other date as the parties hereto may agree in writing;
<b>“PRC”</b>	means the People’s Republic of China (excluding for the purpose of this Agreement, Hong Kong, the Macau Special Administrative Region of the People’s Republic of China and Taiwan);
<b>“Reorganisation”</b>	the corporate reorganisation arrangements to be implemented by Spa Global prior to Completion which is more particularly set out in clause 3(A)(i);
<b>“Reporting Standards”</b>	means the Hong Kong Financial Reporting Standards issued by the Hong Kong Institute of Certified Public Accountants;
<b>“RMB”</b>	means Renminbi, the lawful currency of the PRC;
<b>“Sale Shares”</b>	means 600 shares of US\$1 in the share capital of the Target Company representing 60% of the issued share capital of the Target Company which comprise of 300 shares and 300 shares held by Vendor 1 and Vendor 2, respectively;
<b>“Shenzhen Spa Moment”</b>	means 深圳市琉璃時光企業諮詢管理有限公司 (Shenzhen Spa Moment Corporate Consultancy and Management Company Limited*), a company established in the PRC and will become an indirect wholly-owned subsidiary of the Target Company upon completion of Reorganisation, , the basic information concerning which is set out in Schedule 2;
<b>“Stock Exchange”</b>	means The Stock Exchange of Hong Kong Limited;
<b>“Spa Global”</b>	means Spa Global Limited, a company incorporated with limited liability in Hong Kong and a direct wholly-

	owned subsidiary of the Target Company as at the date of this Agreement, the basic information concerning which is set out in Schedule 2;
<b>“Subsidiaries”</b>	means the subsidiaries of the Target Company upon completion of the Reorganisation;
<b>“Target Company”</b>	means General Venture Enterprises Limited, a company incorporated with limited liability in Seychelles, the basic information concerning which is set out in Schedule 1;
<b>“Tax” or “Taxation”</b>	means and includes all forms of taxation and statutory, governmental, regulatory, state, principal, local governmental, or municipal impositions, duties, contributions and levies, whether of Hong Kong, the PRC or elsewhere, and all penalties, charges, costs and interest relation thereto;
<b>“Warranties”</b>	means the representations and warranties set out in clause 7 and Schedule 4 given by the Vendors and <b>“Warranty”</b> shall be construed accordingly.

*\*For identification purpose only*

(B) In this Agreement, unless otherwise specified:-

- (i) references to clauses, sub-clauses, paragraphs, sub-paragraphs and schedules and annexures are to clauses, sub-clauses, paragraphs, sub-paragraphs of, and schedules and annexures to, this Agreement;
- (ii) a reference to any statute or statutory provision shall be construed as a reference to the same as it may have been, or may from time to time be, amended, modified or re-enacted;
- (iii) references to a “company” shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established;

- (iv) references to a "person" shall be construed so as to include any individual, firm, company, government, state or agency of a state or any joint venture, association or partnership (whether or not having separate legal personality);
- (v) references to "indemnify" and "indemnifying" any person against any circumstance include indemnifying and keeping him harmless from all actions, claims and proceedings from time to time made against that person and all loss or damage and all payments, costs or expenses made or incurred by that person as a consequence of or which would not have arisen but for that circumstance;
- (vi) the expressions "holding company" and subsidiary" shall have the meaning given in the Companies Ordinance;
- (vii) references to writing shall include any modes of reproducing words in a legible and non-transitory form;
- (viii) references to times of the day are to Hong Kong time;
- (ix) headings to clauses and schedules are for convenience only and do not affect the interpretation of this Agreement;
- (x) the schedules and annexures form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement, and any reference to this Agreement shall include the schedules and annexures;
- (xi) (a) the rule known as the ejusdem generis rule shall not apply and accordingly general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and  
  
(b) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words; and
- (xii) any reference to a document being "in the agreed form" means in the form of the document or the draft thereof agreed or signed for identification on behalf of each of the parties hereto with (in the case of a draft) such alterations (if any) as may be agreed between the relevant parties hereto.

## 2. Sale and purchase

- (A) On Completion, the Vendors, as beneficial owners of the Sale Shares, shall sell or procure to be sold the Sale Shares and the Purchaser shall purchase the Sale Shares. The Sale Shares shall be free from all claims, liens, charges, encumbrances and equities and shall be sold with all rights attached or accruing to them at Completion. Title to, and any risk attaching to, the Sale Shares shall pass from the Vendors to the Purchaser on Completion.
- (B) The Purchaser shall be entitled to exercise all rights attached or accruing to the Sale Shares including, without limitation, the right to receive all dividends, distributions or any return of capital declared, paid or made by the Target Company on or after the Completion Date.

## 3. Conditions precedent

(A) Completion is conditional upon:-

- (i) Spa Global having established a wholly-owned foreign enterprise (the "WOFE") in the PRC, and the WOFE having completed acquisition of the entire equity interest in Shenzhen Spa Moment;
- (ii) Shenzhen Spa Moment having entered into one or more written agreement(s) with any party(ies) in respect of the services to be provided by Shenzhen Spa Moment, from which a total revenue of no less than RMB30,000,000 shall be generated to Shenzhen Spa Moment for the year ending 31 March 2017;
- (iii) the Purchaser, in its absolute discretion, being satisfied with the results of the due diligence review on, the financial, legal, commerce, trade, asset, corporation, taxation, operation and other conditions of each of the Group Companies;
- (iv) the registered capital of each of the Group Companies having been fully paid up and the contributed capital not having been repatriated illegally;
- (v) there being no change in the principal business in each of the Group Companies;
- (vi) there being no promulgation, announcement, publication or enforcement of any law, judgment, decree or injunction by any government authorities prior to Completion which could (a) restrict or prohibit the signing of the Agreement or Completion; or (b) adversely affect, in any material aspects, the Purchaser in exercising its right or



power entirely pursuant to its share capital in the Target Company or as stipulated under the Agreement;

- (vii) no material adverse change in the financial condition, commerce, trade, asset, corporation, taxation, operation or other conditions the Group Companies has occurred since the date of this Agreement to the date of Completion;
  - (viii) there being no pending or potential litigation, arbitration or other legal proceedings from any third parties (including any government authorities) which would otherwise prohibit or restrict the consummation of the transaction contemplated under the Agreement; and
  - (ix) the warranties in the Agreement shall continue to be true, correct and not misleading up to the date of Completion with the same force and effect as if they had been repeated as of the date of Completion and throughout the period between the date of the Agreement and the date of Completion.
- (B) The Vendors shall use all reasonable endeavours to fulfill or procure the fulfillment of the Conditions set out in clause 3(A) on or before the Long Stop Date and shall notify the Purchaser in writing immediately upon the satisfaction of such Conditions.
- (C) The Vendors shall use all reasonable endeavours to procure any information and document reasonably required by the Purchaser or its professional advisers for due diligence purpose shall be made available within a reasonable time after request.

#### **4. Consideration**

- (A) Subject to the fulfillment of the Guaranteed Profit in Clause 5 of this Agreement, the total Consideration for the sale and purchase of the Sale Shares shall be HK\$80,000,000 which shall be satisfied by issue and allotment of 80,000,000 Consideration Shares and 80,000,000 Consideration Shares (or the adjusted number in the event that the Guaranteed Profit (as defined below) is not satisfied), which shall be released to Vendor 1 and Vendor 2, respectively, within 40 calendar days after the issue of the audited consolidated accounts of the Target Company for the year ending 31 March 2017.
- (B) The Consideration Shares shall at all times rank pari passu among themselves and with the shares of the Company in issue as at the date of issue of the Consideration Shares.

#### **5. Profit Guarantee**

- (A) The Vendors hereby jointly and severally, irrevocably and unconditionally undertakes and guarantees to the Purchaser that the aggregate audited consolidated net profit after tax (calculated on yearly basis according to the generally accepted accounting principle in Hong Kong) of the Target Company (the “**Actual Profit**”) for the year ending 31 March 2017 (the “**Financial Period**”) shall be not less than HK\$20,000,000 (the “**Guaranteed Profit**”).
- (B) The Vendors shall assist the auditor of the Purchaser or its designated person to prepare and issue the respective audited consolidated accounts of the Target Company within 3 months after the end of the Financial Period.
- (C) In the event that the Target Company fails to meet the Guaranteed Profit, the Vendors shall jointly and severally indemnify the Company the amount of the Compensated Amount (as defined below) by deducting the Compensated Amount from the aggregate consideration of the Consideration Shares and the Company will issue the adjusted number of the Consideration Shares to the Vendors. The Compensated Amount shall be determined in accordance with the formula below. The Compensated Amount should not exceed the aggregate consideration of the Consideration Shares.
- (D) Amount to be compensated (the “**Compensated Amount**”) = (Guaranteed Profit – Actual Profit) x 6.7.
- (E) Solely for the purpose of the above calculation, the Actual Profit should be treated as zero if the net profit of the Target Company reflects an audited consolidated net loss after taxation for the Financial Period.
- (F) The balance of the Consideration shall not be adjusted if the Actual Profit for the Financial Period exceeds the Guaranteed Profits.
- (G) All parties to this Agreement agree and confirm that each of the terms under this section shall continue in full force and effect notwithstanding Completion.

## 6. Completion

- (A) Completion shall take place on the Completion Date at the office of the Purchaser’s solicitors at Suites 2001-2006, 20th Floor, Jardine House 1 Connaught Place Central, Hong Kong or such other time, date and/or place as the parties hereto may agree in writing.
- (B) At Completion, the Vendors shall do those things listed in Part A of Schedule 3 and the Purchaser shall do those things listed in Part B of Schedule 3.

- (C) Without prejudice to any other remedies available, if in any respect the provisions of this Agreement and in particular Part A of Schedule 3 are not complied with by the Vendors on or before the Long Stop Date, the Purchaser may:
- (i) defer Completion to a date not more than 28 days after the Long Stop Date (and so that the provisions of this clause 6 and Part A of Schedule 3 shall apply to Completion as so deferred);
  - (ii) proceed to Completion so far as practicable (without prejudice to its rights hereunder); or
  - (iii) rescind this Agreement without prejudice to any of its other rights in respect of such default.

#### 7. Warranties of the Vendors

- (A) The Vendors hereby represent and warrant to the Purchaser that, save as Disclosed, each of the Warranties is true and accurate in all respects and not misleading in any respect as at the date of this Agreement. The Warranties shall continue to be true and accurate in all respects and not misleading in any respect at all times subsequent to the date of this Agreement up to and including the Completion Date as if repeated on each such day.
- (B) The Vendors accept that the Purchaser is entering into this Agreement in reliance upon the Warranties made by the Vendors.
- (C) The Vendors undertake to disclose in writing to the Purchaser anything which is or may constitute a breach of or be inconsistent with any of the Warranties immediately it comes to its notice prior to Completion.
- (D) Each of the Warranties shall be construed as a separate and independent warranty and (except where expressly provided to the contrary) shall not be limited or restricted by reference to or inference from the terms of any other Warranty or any other term of this Agreement.
- (E) If, between the date of this Agreement and Completion, the Purchaser becomes aware that any of the Warranties is or was materially untrue or inaccurate or misleading, the Purchaser may terminate this Agreement by notice in writing to the Vendors and all obligations of the parties under this Agreement shall cease provided that the rights and liabilities of the parties which have accrued prior to termination shall subsist.

- (F) Each of the Vendors is not a connected person (as defined under the GEM Listing Rules) of the Company and is a third party independent of the Company, its subsidiaries and its connected persons;

#### **8. Conduct of business prior to Completion**

The Vendors further warrant and guarantee that, at any time during the period from the date of this Agreement up to Completion, each Group Company shall carry on business in the normal course and not do anything which is not of a routine nature without the prior written consent of the Purchaser. In particular, but without limitation, the Vendors shall procure that, during such period, each Group Company shall not undertake any of the matters listed below without the prior written consent of the Purchaser (save for the Reorganisation as stipulated in this Agreement):-

- (i) dispose of, agree to dispose of, or grant or agree to grant any option in respect of, any material part of its assets except in the ordinary course of business on normal arm's length terms; or
- (ii) enter into any individual contract or commitment relating to or affecting a material part of its business or any materially unusual or abnormal or onerous contract or commitment; or
- (iii) declare, make or pay any dividend or other distribution; or
- (iv) create, allot or issue or agree to create, allot or issue any shares or other securities of whatsoever nature convertible into shares; or
- (v) change its accounting reference date; or
- (vi) make any substantial change in the nature or organisation of its business; or
- (vii) discontinue or cease to operate all or a material part of its business; or
- (viii) reduce its share capital or purchase its own shares; or
- (ix) transfer all or any material part of its business or assets to any other person other than any member of the Group other than in the ordinary course of trading; or

- (x) pass any resolutions in general meeting or by way of written resolution relating to winding-up, or to capitalise any profits or any sum standing to the credit of share premium account or capital redemption reserve fund or any other reserve; or
- (xi) make any material change to the accounting procedures or principles by reference to which its accounts are drawn up.

#### 9. Effect of Completion

Any provision of this Agreement and any other documents referred herein which is capable of being performed after but which has not been performed at or prior to Completion and all warranties and indemnities and other undertakings contained in or entered into pursuant to this Agreement shall remain in full force and effect notwithstanding Completion.

#### 10. Non-Compete

- (A) The Vendors agree that, for a period of five (5) years starting from the Completion Date, any of them shall not, and shall ensure that none of their related parties shall, engage or hold any interest in any business or activity (including research, developing, marketing and/or promotion of spa chain management and spa chain software) in Hong Kong or the PRC, either directly or indirectly, solely or jointly with others, or through the establishment of any business entity directly or indirectly, solely or jointly with others.
- (B) For avoidance of any possible doubt, any breach of the covenants set forth in this clause 10(A) by the shareholder(s) or any of the related parties of the Vendors shall be deemed as a breach by the Vendors.

#### 11. Time of essence

Except as otherwise expressly provided, time is of the essence of this Agreement.

#### 12. Remedies and waivers

- (A) No delay or omission on the part of any party to this Agreement in exercising any right, power or remedy provided by law or under this Agreement or any other documents referred herein shall:-
  - (i) impair such right, power or remedy; or
  - (ii) operate as a waiver thereof.

- (B) The single or partial exercise of any right, power or remedy provided by law or under this Agreement shall not preclude any other or further exercise thereof or the exercise of any other right, power or remedy.
- (C) The rights, powers and remedies provided in this Agreement are cumulative and not exclusive of any rights, powers and remedies provided by law.

### **13. Assignment**

This Agreement shall be binding upon and enure for the benefit of the successors of the parties and the permitted assigns. Neither party shall assign this Agreement to any third party except with the prior written consent of the other party (which consent may not be unreasonably withheld or delayed).

### **14. Further assurance**

The parties shall from time to time, on being reasonably required to do so by the other party with reasonable notice, now or at any time in the future, use its best endeavours to do or procure the doing of all such acts and/or execute or procure the execution of all such documents in a form satisfactory to the other party so as to give full effect to this Agreement and to secure the parties the full benefit of the rights, powers and remedies conferred upon the parties in this Agreement.

### **15. Entire agreement**

- (A) This Agreement and any other documents referred to herein constitute the whole and only agreement between the parties relating to the sale and purchase of the Sale Shares, except if and only to the extent repeated in any of the documents referred to, supersedes and extinguishes any prior drafts, agreements, undertakings, representations, warranties and arrangements of any nature whatsoever, whether or not in writing relating thereto.
- (B) This Agreement may be varied, amended or terminated in writing signed by each of the parties.

### **16. Notices**

- (A) Any notice or other communication given or made under or in connection with the matters contemplated by this Agreement shall be in writing.

(B) Any such notice or other communication shall be addressed as provided in sub-clause (C) and, if so addressed, shall be deemed to have been duly given or made as follows:-

- (i) if sent by personal delivery, upon delivery at the address of the relevant party;
- (ii) if sent by post, 3 Business Days after the date of posting; and
- (iii) if sent by facsimile, when despatched (with confirmation of transmission).

(C) The relevant addressee and address of each party for the purposes of this Agreement, subject to sub-clause (D), are:

Name of party	Address
Tsang Chi Hung	Flat C, 6/F, No. 248 Chatham Road North, Hung Hom, Kowloon, Hong Kong
Wan Liangliang	No. 461, Group 4, Han Chen Village, Chen Ji Town, Yongcheng City, Henan Province
Loyal Salute Limited	18th Floor, So Tao Centre, Nos. 11-15 Kwai Sau Road, Kwai Chung, New Territories, Hong Kong

(D) A party may notify the other parties to this Agreement of a change of name, relevant addressee, address or facsimile number for the purposes of sub-clause (C) provided that such notification shall only be effective on:-

- (i) the date specified in the notification as the date on which the change is to take place; or
- (ii) if no date is specified or the date specified is less than 2 clear Business Days after the date on which notice is given, the date falling 2 clear Business Days after notice of any such change has been given.

## 17. Announcements

- (A) Subject to sub-clause (B) of this clause 17, no announcement concerning the sale and purchase of the Sale Shares or any ancillary matter shall be made by any party without the prior written approval of the other parties.
- (B) Any party (including its shareholder(s)) may make an announcement concerning the sale and purchase of the Sale Shares or any ancillary matter if required by:-
- (i) the law of any relevant jurisdiction; or
  - (ii) any securities exchange or governmental or regulatory body to which such party is subject or submits, wherever situated, including (without limitation) the Stock Exchange and the Securities and Futures Commission in Hong Kong, whether or not the requirement has the force of law.
- (C) The restrictions contained in this clause shall continue to apply after Completion or the termination of this Agreement.

#### **18. Confidentiality**

- (A) Subject to sub-clause (B) of this clause 18, each party shall treat as strictly confidential all information received or obtained as a result of entering into or performing this Agreement which relates to:-
- (i) the provisions of this Agreement;
  - (ii) the negotiations relating to this Agreement;
  - (iii) the subject matter of this Agreement; or
  - (iv) any of the other parties.
- (B) Any party (including its shareholder(s)) may disclose information which would otherwise be confidential if and to the extent:-
- (i) required by the law of any relevant jurisdiction;
  - (ii) required by any securities exchange or governmental or regulatory body to which such party is subject or submits, wherever situated, including (without limitation)



the Stock Exchange and the Securities and Futures Commission in Hong Kong, whether or not the requirement for information has the force of law;

- (iii) required to vest the full benefit of this Agreement in such party;
- (iv) disclosed to the professional advisers, auditors and bankers of such party;
- (v) the information has come into the public domain through no fault of such party; or
- (vi) the other parties have given prior written approval to the disclosure.

#### **19. Costs and expenses**

- (A) Except as otherwise stated in sub-clause (B) of this clause 19 and any other provision of this Agreement, each party shall be responsible for its own costs and expenses in relation to the negotiations leading up to the sale and purchase of the Sale Shares and to the preparation, execution and carrying into effect of this Agreement, the Reorganisation and all other documents referred to herein.
- (B) All stamp duty (if any) payable in connection with the sale and purchase of the Sale Shares shall be borne by the Vendors on the one hand and the Purchaser on the other hand in equal shares.

#### **20. Counterparts**

- (A) This Agreement may be executed in any number of counterparts, and by the parties on separate counterparts, but shall not be effective until each party has executed at least one counterpart.
- (B) Each counterpart shall constitute an original of this Agreement, but the counterparts shall together constitute but one and the same instrument.

#### **21. Invalidity**

If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect under the law of any jurisdiction, that shall not affect or impair:-

- (i) the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement; or

- (ii) the legality, validity or enforceability under the law of any other jurisdiction of that or any other provision of this Agreement.

## **22. Governing law**

This Agreement is governed by and shall be construed in accordance with Hong Kong law.

The parties to this Agreement irrevocably agree that the courts of Hong Kong are to have jurisdiction to settle any disputes which may arise out of or in connection with this Agreement and that accordingly any proceedings may be brought in such courts.

## **23. Service agent**

- (A) The Purchaser appoints Mr. Fu Yik Lung of 18th Floor, So Tao Centre, Nos. 11-15 Kwai Sau Road, Kwai Chung, New Territories, Hong Kong as its process agent to receive on its behalf service of process in any proceedings in Hong Kong. Service upon the process agent shall be good service upon the Purchaser whether or not it is forwarded to and received by the Purchaser. If for any reason the process agent ceases to be able to act as process agent, or no longer has an address in Hong Kong, the Purchaser irrevocably agrees to appoint a substitute process agent with an address in Hong Kong acceptable to the Vendors and to deliver to the Vendors a copy of the substitute process agent's acceptance of that appointment within 14 Business Days of the date of such appointment. In the event that the Purchaser fails to appoint a substitute process agent, it shall be effective service for the Vendors to serve the process upon the last known address in Hong Kong of the last known process agent for the Purchaser notified to the Vendors notwithstanding that such process agent is no longer found at such address or has ceased to act.
- (B) Vendor 1 appoints himself as his process agent to receive on its behalf service of process in any proceedings in Hong Kong. Service upon the process agent shall be good service upon Vendor 1 whether or not it is forwarded to and received by Vendor 1. If for any reason the process agent ceases to be able to act as process agent, or no longer has an address in Hong Kong, Vendor 1 irrevocably agrees to appoint a substitute process agent with an address in Hong Kong acceptable to the Purchaser and to deliver to the Purchaser a copy of the substitute process agent's acceptance of that appointment within 14 Business Days of the date of such appointment. In the event that Vendor 1 fails to appoint a substitute process agent, it shall be effective service for the Purchaser to serve the process upon the last known address in Hong Kong of the last known process agent for Vendor 1 notified to the

Purchaser notwithstanding that such process agent is no longer found at such address or has ceased to act.

- (C) Vendor 2 appoints himself as his process agent to receive on its behalf service of process in any proceedings in Hong Kong. Service upon the process agent shall be good service upon Vendor 2 whether or not it is forwarded to and received by Vendor 2. If for any reason the process agent ceases to be able to act as process agent, or no longer has an address in Hong Kong, Vendor 2 irrevocably agrees to appoint a substitute process agent with an address in Hong Kong acceptable to the Purchaser and to deliver to the Purchaser a copy of the substitute process agent's acceptance of that appointment within 14 Business Days of the date of such appointment. In the event that Vendor 2 fails to appoint a substitute process agent, it shall be effective service for the Purchaser to serve the process upon the last known address in Hong Kong of the last known process agent for Vendor 2 notified to the Purchaser notwithstanding that such process agent is no longer found at such address or has ceased to act.

### Schedule 1

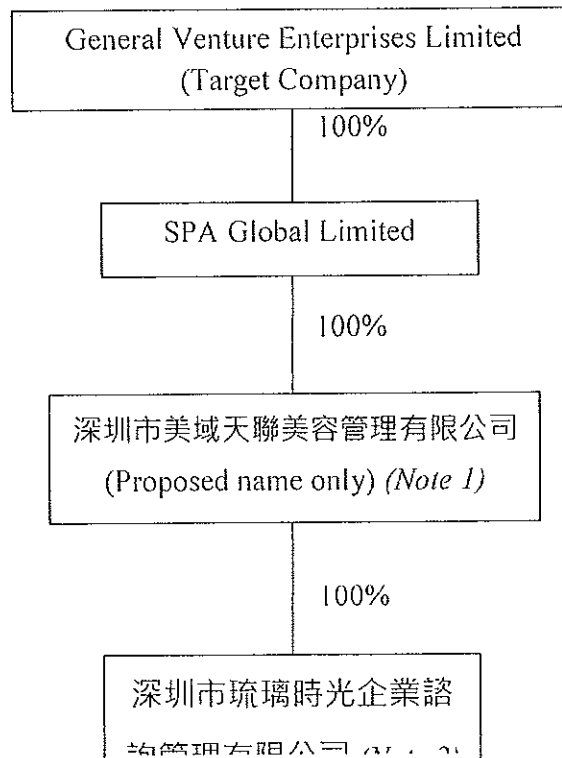
#### Basic information concerning the Target Company

Company name	:	General Venture Enterprises Limited
Date of incorporation	:	28 December 2015
Place of incorporation	:	Seychelles
Type of company	:	Company with Limited Liability
Registered Capital	:	US\$1,000
Shareholder(s)	:	500 shares (50%) owned by Vendor 1 500 shares (50%) owned by Vendor 2

## Schedule 2

### Basic information of the Subsidiaries

Corporate Chart of the Target Company and the Subsidiaries upon completion of the Reorganisation:



*Notes:*

1. To be established by SPA Global Limited upon completion of the Reorganisation.
2. To be directly wholly-owned by 深圳市美域天聯美容管理有限公司 upon completion of the Reorganisation.

#### Subsidiary A

Company name : SPA Global Limited

Date of incorporation : 22 February 2016

Place of incorporation : Hong Kong

Type of company : Company with Limited Liability

Registered Capital : HK\$1,000

Shareholder(s) : 1000 shares (100%) owned by General Venture Enterprises Limited

## Subsidiary B

Proposed company name: 深圳市美域天聯美容管理有限公司

Date of establishment : to be established

Place of incorporation : the PRC

Type of company : wholly-owned foreign enterprise (WOFE)

Proposed registered capital: RMB 1,000,000

Proposed shareholder : 100% equity interest held by SPA Global Limited

Subsidiary C

Company name : 深圳市琉璃時光企業諮詢管理有限公司

Date of establishment : 24 December 2015

Place of incorporation : the PRC

Type of company : Company with Limited Liability

Shareholder upon completion of the Reorganisation : 100% equity interest held by 深圳市美域天聯美容管理有限公司



### Schedule 3

#### Completion arrangements

##### Part A

At Completion:

- (i) the Vendors shall deliver to the Purchaser:-
  - (a) duly executed instruments of transfer in respect of the Sale Shares to be sold by each of the Vendors to the Purchaser in favour of the Purchaser or such person as the Purchaser may nominate;
  - (b) the original share certificates in respect of the Sale Shares in the name of the relevant Vendor for cancellation purpose;
  - (c) the share certificate in respect of the Sale Shares in the name of the Purchaser or such person as the Purchaser may nominate;
- (ii) the Vendors shall deliver to the Purchaser (or to any person whom the Purchaser may nominate)
  - (a) the statutory books (which shall be written up to but not including the Completion Date), the certificate of incorporation (and any certificate of incorporation on change of name), the foreign investment approval certificate, business licence, tax certificate, foreign exchange certificate and common seal (if any) of each member of the Group and share certificates or other documents of title in respect of all the issued share capital or registered capital of each Subsidiary which is owned directly or indirectly by the Target Company.
- (iii) if required by the Purchaser and provided that the Purchaser shall have given notice in writing at least 2 Business Days prior to Completion to the Vendors, the Vendors shall procure the present directors, secretary and/or other officers (including any legal representatives) of each Group Company (other than any director or secretary whom the Purchaser may wish should continue in office) to resign their offices as such and to relinquish any rights which they may have under any contract of employment with any member of the Group or under any statutory provision including any right to damages for wrongful dismissal, redundancy payment or compensation for loss of office or unfair

dismissal, such resignations to be tendered at the board meetings referred to in paragraph (v) below;

- (iv) if required by the Purchaser and provided that the Purchaser shall have given notice in writing at least 2 Business Days prior to Completion to the Vendors, the Vendors shall procure the present auditors of each Group Company to resign their office as such, and to deposit at the registered office of the Group Company, a letter notifying their resignation, acknowledging that they have no claim against the Group Company and (where required or provided for under the law of the place of incorporation of the Group Company) containing a statement that there are no circumstances connected with their ceasing to hold office which they consider should be brought to the attention of any members or creditors;
- (v) the Vendors shall procure board meetings of the Target Company and of each Subsidiary to be held at which:-
  - (a) in the case of the Target Company, it shall be resolved that the transfer relating to the Sale Shares shall be approved for registration and the transferee registered as the holder of the Sale Shares in the register of members (provided that the name of the transferee shall have been given by the Purchaser to the Vendors at least 2 Business Days prior to Completion);
  - (b) each of the persons nominated by the Purchaser shall be appointed directors and/or secretary and/or legal representative (if applicable), as the Purchaser shall direct such appointments to take effect on the Completion Date (provided that the names of the directors and/or secretary to be appointed by the Purchaser shall have been given by the Purchaser to the Vendors at least 2 Business Days prior to Completion);
  - (c) the resignations of the directors, secretary and legal representative referred to in paragraph (iii) above shall be tendered and accepted so as to take effect at the close of the meeting and each of the persons tendering his resignation shall deliver to the relevant member of the Group an acknowledgement executed as a deed that he has no claim against any member of the Group for breach of contract, compensation for loss of office, redundancy or unfair dismissal or on any other account whatsoever and that no agreement or arrangement is outstanding under which any member of the Group has or could have any obligation to him;
  - (d) all existing instructions to banks shall be revoked and new instructions shall be

given to such banks in such form as the Purchaser may direct (provided that the relevant details in relation to the new instructions shall have been given by the Purchaser to the Vendors at least 2 Business Days prior to Completion);

- (e) the situation of the registered office shall be changed to such address as the Purchaser may nominate (provided that the information relating to the address of the registered office as nominated by the Purchaser shall have been given by the Purchaser to the Vendors at least 2 Business Days prior to Completion);

that minutes of each duly held board meeting, certified as a true copy by a director of the relevant company and the resignations and acknowledgements referred to are delivered to the Purchaser; and

- (vi) if required by the Purchaser and provided that the Purchaser shall have given notice in writing at least 2 Business Days prior to Completion to the Vendors, the Vendors shall deliver to the Purchaser a letter from the Target Company to its registered agent signed by the existing director of the Target Company informing such registered agent of the change of ownership, directorship and contact person for the Target Company.

### Part B

At Completion:

- (i) the Purchaser shall deliver to the Vendors a copy of the minutes of a duly held board meeting of the Purchaser, certified as a true copy by a director of the Purchaser, authorising the execution of this Agreement and the transactions contemplated hereunder by the Purchaser.

## Schedule 4

### Warranties

Save as Disclosed, the Vendors hereby jointly and severally represent and warrant to the Purchaser as set forth below:-

#### 1. Ownership of the Sale Shares

- (A) Each of Vendor 1 and Vendor 2 is the beneficial owner of 50% of the issued share capital of the Target Company free from all liens, charges, pledges and other encumbrances and all rights or interests of third parties. The Sale Shares constitute an aggregate of 60% of the total issued share capital of the Target Company.

#### 2. Capacity of the Vendors

- (A) Each of the Vendors has the requisite power and authority to enter into and perform this Agreement.
- (B) This Agreement constitutes and the other documents to be executed and delivered by the Vendors at Completion shall, when executed, constitute binding obligations of the Vendors in accordance with their respective terms.
- (C) The execution and delivery of, and the performance by the Vendors of its obligations under this Agreement shall not:
  - (i) result in a breach of any provision of the memorandum or articles of association (or equivalent constitutive documents) of any member of the Group;
  - (ii) result in a breach of, or constitute a default under, any instrument or agreement or contract or deed to which the Vendors or any member of the Group is a party or by which the Vendors or any member of the Group is bound; or
  - (iii) result in a breach of any law, rule or regulation or any order, judgment or decree of any court or governmental, regulatory, judicial or administrative body to which the Vendors or any member of the Group is a party or by which the Vendors or any member of the Group is bound.

#### 3. Group structure

- (A) The Target Company is a limited liability company duly incorporated and validly existing under the laws of Seychelles with full power and authority to own its assets and to carry on its business as it is presently carried on.
- (B) Each of the Subsidiaries is a limited liability company duly incorporated and validly existing under the laws of its place of incorporation with full power and authority to own its assets and to carry on its business as it is presently carried on. The beneficial interest of Spa Global is wholly-owned by the Target Company as at the date of this Agreement, and the beneficial interest of all the Subsidiaries shall be wholly-owned by the Target Company at Completion.
- (C) There is no agreement or commitment outstanding which calls for the allotment, issue or transfer of, or accords to any person the right to call for the allotment or issue of, any shares (including the Sale Shares) or debentures in or securities of the Target Company.
- (D) Save as disclosed in Schedule 2, no member of the Group has any interest in the share or registered capital of any other body corporate or undertaking which is not a member of the Group and so listed at Completion.

4. Options, mortgages and other encumbrances

- (A) There is no option, right to acquire, mortgage, charge, pledge, lien or other form of security or encumbrance or equity on, over or affecting the Sale Shares.
- (B) No option, right to acquire, mortgage, charge, pledge, lien (other than a lien arising by operation of law in the ordinary course of trading) or other form of security or encumbrance or equity on, over or affecting the whole or any part of the undertaking or assets of the Target Company is outstanding.

5. Accuracy and adequacy of information

- (A) All information which has been or will be given by the Vendors, the directors, officers, auditors, financial advisers, solicitors, PRC legal advisors, or officials of the Target Company to the Purchaser or to the solicitors, accountants or agents of the Purchaser in the course of the negotiations leading to this Agreement is true and accurate and not misleading.
- (B) The information given in Schedules 1 and 2 is true and accurate in all respects and is not misleading in any respect because of any omission or ambiguity or for any other reason.
- (C) The copies of the memorandum and articles of association (or equivalent constitutive documents) of each member of the Group which have been supplied to the Purchaser or its advisers are complete and accurate in all respects.
- (D) The statutory books (including all registers and minute books) of each member of the Group have been properly kept and contain an accurate and complete record of the matters which should be dealt with in those books and no notice or allegation that any of them is incorrect or should be rectified has been received.
- (E) So far as the Vendors are aware (having made due and careful inquiry), there is no fact or circumstance relating to the affairs of any member of the Group which has not been disclosed to the Purchaser or any of its advisers and which if disclosed might reasonably have been expected to influence the decision of the Purchaser to purchase the Sale Share on the terms contained in this Agreement.

## 6. Licences

All licences, consents, permissions, approvals, filings and registrations required for or in connection with the carrying on of the business now being carried on by each member of the Group (including, in the case of any member of the Group that is incorporated in the PRC or carries on business in the PRC, all licences, consents, permissions, approvals, filings and registrations required for or in connection with the payment of dividend in

foreign exchange and the remittance of cash payment or receipt in foreign exchange into or out of the PRC) have been obtained or made.

7. **Bank accounts and borrowings**

- (A) Full details of all bank accounts maintained or used by each member of the Group (including, in each case, the name and address of the bank with whom the account is kept and the number and nature of the account) have been disclosed.
- (B) All licences, consents, permissions, approvals, filings and registrations required (whether by law or otherwise) in connection with the opening, maintenance or use of any bank account by any member of the Group that is incorporated in the PRC have been obtained or made.

8. **Insolvency**

- (A) No order has been made and no resolution has been passed for the winding up of any member of the Group or for a provisional liquidator to be appointed in respect of any member of the Group and no petition has been presented and no meeting has been convened for the purpose of winding up any member of the Group.
- (B) No administration order has been made and no petition for such an order has been presented in respect of any member of the Group.
- (C) No receiver (which expression shall include an administrative receiver) has been appointed in respect of any member of the Group or all or any of its assets.
- (D) No member of the Group is insolvent, or unable to pay its debts within the meaning of the relevant bankruptcy or insolvency law or legislation in the place of incorporation of such member of the Group, or has stopped paying its debts as they fall due.

- (E) No event analogous to any of the events described in paragraphs (A) to (D) has occurred in or outside Hong Kong.
- (F) No unsatisfied judgment is outstanding against any member of the Group.

9. **Litigation**

No member of the Group is engaged in any litigation or arbitration, administrative, criminal proceedings that are material and adverse to the business of the Group as a whole, whether as plaintiff, defendant or otherwise, and no litigation or arbitration, administrative, criminal proceedings of such nature by or against any member of the Group is pending, threatened or expected and so far as the Vendors are aware (having made due and careful inquiry of each member of the Group), there is no fact or circumstance likely to give rise to any such litigation or arbitration, administrative, criminal proceedings or to any proceedings against any director or employee (past or present) of any member of the Group in respect of any act or default for which that member might be vicariously liable.

10. **Immovable Properties**

No member of the Group owns any Immovable Properties.

11. **Intellectual Property**

- (A) No member of the Group owns any rights to any Intellectual Property (other than copyright and unregistered designs).
- (B) All rights in all Intellectual Property and Confidential Business Information owned or otherwise required for the business of any member of the Group are vested in or validly granted to the member of the Group concerned and are not subject to any limit as to time or any other limitation, right of termination (including, without limitation, on any change



in the underlying ownership or control of the relevant member of the Group) or restriction and all renewal fees and steps required for their maintenance or protection have been paid and taken.

**12. Insurances**

Each member of the Group has maintained all insurance required by law.

**13. Tax**

- (A) No member of the Group has any liability in respect of Taxation (whether actual or contingent) that is not fully Disclosed.
- (B) Each member of the Group has made or caused to be made all proper returns required to be made, and has supplied or caused to be supplied all information required to be supplied, to any revenue authority, including, without limitation, the Hong Kong Inland Revenue Department and the relevant tax bureau in the PRC.

## EXECUTION

IN WITNESS WHEREOF the parties have caused this Agreement to be executed the day and year first above written.

VENDOR I

**SIGNED** by Tsang Chi Hung

in the presence of:

Long Chen

VENDOR 2

SIGNED by Wan Liangliang

in the presence of:


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PURCHASER

SIGNED by  
for and on behalf of  
Loyal Salute Limited  
in the presence of:

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)

*For and on behalf of*  
**LOYAL SALUTE LIMITED**

  
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*Authorized Signature(s)*