

DATE: 14 FEBRUARY 2017

Jianda Value Investment Fund L.P.
(as lender)

AND

Differ Group Holding Company Limited
(as borrower)

LOAN AGREEMENT
for
Term loan of US\$10,000,000

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THIS LOAN AGREEMENT is dated 14 February 2017

BETWEEN:

- (1) **Jianda Value Investment Fund L.P.**, a limited partnership formed under the laws of the Cayman Islands of Intertrust Corporate Services (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands (the "Lender"); and
- (2) **Differ Group Holding Company Limited** (鼎豐集團控股有限公司), an exempted company incorporated under the law of the Cayman Islands, whose principal place of business in Hong Kong is at Room 1602, Euro Trade Centre, 13-14 Connaught Road Central, Central, Hong Kong (the "Borrower").

WHEREAS:

The Borrower has requested the Lender to make available to the Borrower a term loan in the principal sum of US\$10,000,000 and the Lender has agreed to do so subject to and upon the terms and conditions of this Agreement.

1. INTERPRETATION

1.1 In this Agreement (including the Schedules), the following expressions shall, except where the context otherwise requires, have the meanings attributed to them respectively below:

"Account Charge"	the charge (in the form and substance satisfactory to the Lender) to be given by the Chargor in favour of the Lender in respect of all the securities whether present and future securities and together with all warrants, options or other rights to subscribe for, purchase or otherwise acquire any shares (of any class) of or ownership interests in connection with and arising from the securities and all rights relating to any of those securities in the Designated Securities Account to secure the performance and obligations of the Borrower under this Agreement
"Availability Period"	the period commencing from the date hereof and ending 15 days thereafter
"Business Day"	a day (other than a Saturday) on which licensed banks in Hong Kong are generally open for business throughout their normal business hours
"Borrower Shares"	the issued shares of HK\$0.0025 each in the share capital of the Borrower
"Chargor"	Ever Ultimate Limited, a company incorporated under the laws of the British Virgin Islands (with British Virgin Islands company no. 1661330), a substantial shareholder of the Borrower
"Designated Securities Account"	the securities account to be opened with Cinda International Securities Limited in the name of the Chargor as the security to the Loan and all other obligations, liabilities and debts owing or incurred

by the Borrower to the Lender whether actual, contingent or deferred and irrespective of whether or not the same is due and payable as at the date hereof

- “Drawdown Date”** the date on which the Borrower makes the Drawing which shall fall within the Availability Period
- “Drawing”** the drawing of loan in one lump sum of US\$10,000,000 to be made by the Borrower on the Drawdown Date
- “Events of Default”** any one or more of the events specified in Clause 12.1 or any act or event which with the giving of notice and/or the lapse of time and/or the fulfillment of any other condition would become one or more of such events
- “Encumbrance”** any mortgage, charge, pledge, lien (otherwise than arising by statute or operation of law), hypothecation or other encumbrance, priority of security interest, deferred purchase, title retention, leasing, sale-and-repurchase or sale-and-leaseback arrangement whatsoever over or in any property, assets or rights of whatsoever nature and includes any agreement for any of the same
- Equivalent Amount** an amount in any other currency as reasonably determined by the Lender on the basis of the middle spot rate for renminbi against the relevant currency as quoted by any leading bank at or around 9:15 a.m. (Beijing time) immediately prior to the relevant time for determination
- “Governmental Authority”** any national, provincial, municipal or local government, administrative or regulatory body or department, commission, agency, court, tribunal, arbitrator or anybody that exercises the function of a regulator, including, but not limited to, the Stock Exchange, the British Virgin Islands Registry of Corporate Affairs, the Company Registry in the Cayman Islands and the Companies Registry in Hong Kong
- “Group”** the Borrower and its subsidiaries and a **“Group Company”** means any of them
- “Internal Rate of Return”** in respect of the Loan, the annual rate of return based on a 365-day period used to discount each cash flow in respect of the Loan to the Drawdown Date such that the present value of the aggregate cash flows equal to zero. In connection with any payment required under this Agreement, the Internal Rate of Return will be calculated with reference to the period from the Drawdown Date up to such repayment of Loan is made in full
- “Loan”** the loan in the total amount of US\$10,000,000
- “Notice of Drawing”** the notice of drawing of the Loan in the form set out in Schedule 2
- “Material Adverse Effect”** a material adverse effect on (a) the assets, liabilities, financial condition, business, general affairs, results of operations or properties of the Group

taken as a whole; (b) the ability of the Borrower or the Chargor to perform its/his/her obligations under any of the Transaction Documents to which it/he/she is a party; or (c) the validity or enforceability of any of the Transaction Documents;

“Principal Business”	the principal business carried out by any Group Company as at this Agreement, which involves the provision of guarantee service, express loan service, financial services, finance lease services and assets management in the People’s Republic of China, and any other business carried out by any Group Company which is approved in writing by the Lender as the principal business of such Group Company from time to time
“Repayment Date”	the last day of the tenth month from the Drawdown Date or such other date as may be agreed between the parties of this Agreement
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Transaction Documents”	this Agreement, the Account Charge and such documents as may have been or may hereafter be executed by the Chargor or any other person in favour of the Lender as security for the performance of the Borrower's obligations hereunder and all documents ancillary to or derived from any of them
“US\$”	United States dollars, the lawful currency for the time being of United States of America

1.2 Except to the extent that the context requires otherwise, any reference in this Agreement to:

- (1) an “agency” of a state or government means any ministry, agency, board, bureau, commission, department, authority, statutory corporation (whether autonomous or not) or other instrumentality of or any corporation or other entity owned or controlled by such state or government;
- (2) any document shall include that document as in force for the time being and as amended in accordance with the terms thereof or with the agreement of the parties thereto and with the consent of the Lender, if required hereunder;
- (3) any enactment shall include same as from time to time re-enacted, amended, extended, consolidated or replaced;
- (4) “control” means in relation to a corporation, the power of a person to secure:
 - (a) by means of the holding of shares or the possession of voting power in or in relation to that or any other corporation; or
 - (b) by virtue of any powers conferred by the constituent documents or other documents regulating that or any other corporation,

that the affairs of the first-mentioned corporation are conducted in accordance with the wishes of that person and “controlled” shall be construed accordingly;

- (5) “laws and regulations” shall include all constitutional provisions, treaties,

conventions, statutes, acts, laws, decrees, ordinances, subsidiary and subordinate legislation, orders, rules and regulations having the force of law, rules of civil and common law and equity, directives, instructions, notifications, circulars, policy statements and guidelines (whether or not having the force of laws) and other similar authorities;

- (6) a "**person**" includes any individual, company, corporation, firm, partnership, joint venture, association, organisation, unit or trust (in each case, whether or not having separate legal personality);
- (7) "**subsidiary**" and "**holding company**" shall have the meaning attributed thereto by the Companies Ordinance of Hong Kong;
- (8) "**tax**" includes any present or future tax, levy, impost, duty, charge, fees, deduction or withholding of any nature and whatever called, by whomsoever, on whomsoever and wherever imposed, levied, collected, withheld or assessed;
- (9) "**tax on overall net income**" of a person means the tax imposed by the jurisdiction in which its principal office is located on all or part of the net income, profits or gains of that person (whether worldwide, or only insofar as such income, profits or gains are considered to arise in or relate to a particular jurisdiction, or otherwise); and
- (10) "**years**" and "**months**" mean calendar years and months respectively, under the Gregorian Calendar. For the avoidance of doubt, a calendar month means a period beginning on one day of a calendar month and ending on the day numerically corresponding to such day in the following calendar month, provided that if the period begins on the last day of a calendar month or there is no such numerically corresponding day in the following month, the period shall end on the last day in such following calendar month.

1.3 The headings in this Agreement are inserted for convenience only and shall be ignored in construing this Agreement. Unless the context otherwise requires, references in this Agreement to the singular shall be deemed to include references to the plural and *vice versa* and references to one gender shall include all genders and references to "it" shall include reference to human beings.

1.4 References in this Agreement to clauses, schedules and exhibits are references to clauses, schedules and exhibits to this Agreement and references to sub-clauses and paragraphs are, unless otherwise stated, reference to sub-clauses and paragraphs of the clause, sub-clause or, as appropriate, the schedule to which the reference appears.

2. THE LOAN

2.1 Subject to the terms and conditions of this Agreement, the Lender hereby agrees to make available to the Borrower the Loan of US\$10,000,000, which shall be drawn down once in whole on the Drawdown Date on non-recourse basis. The Loan shall only be used for finance lease business carried out by the Group.

2A. SECURITY FOR THE LOAN

2A.1 Within 60 days from the date of this Agreement, the Borrower shall procure the Chargor to execute the Account Charge in favour of the Lender as a security for the performance and repayment obligation of the Borrower under this Agreement.

2A.2 The Lender shall have the right from time to time to demand the Borrower to provide additional collaterals to secure the Borrower's repayment obligation under the Loan.

3. **DRAWING**

3.1 Subject to Clause 3.2 and the other terms and conditions of this Agreement, the Borrower may on any Business Day during the Availability Period make the Drawing in accordance with the terms and conditions of this Agreement on the Drawdown Date(s).

3.2 The making of the Drawing by the Borrower is also subject to the Lender having received not later than 12:00 noon (Hong Kong time) on the Business Day on which the Drawing is to be made a duly completed and signed original Notice of Drawing.

3.3 The Notice of Drawing once given under Clause 3.2 shall not be revocable and shall oblige the Borrower to make the Drawing stated in the Notice of Drawing.

4. **INTEREST AND INTERNAL RATE OF RETURN**

4.1 The Borrower shall pay interest on the Loan in accordance with the provisions of this Clause 4.

4.2 Interest on the Loan shall accrue at the rate which is seven per cent. (7%) per annum. Interest shall be calculated on the actual number of days elapsed and on the basis of a 365-day year and payable bi-annually. The interest shall be payable on 23 June 2017 (for the interest accrued from the Drawdown Date up to 30 June 2017, both days inclusive) and on the Repayment Date (for the interest accrued from 1 July 2017 up to the Repayment Date, both days inclusive) respectively.

4.3 If the Borrower defaults in repayment of the interest on 23 June 2017 or defaults in repayment on the Repayment Date of any part of the Loan, interest or other amounts payable hereunder, the Borrower shall pay interest on such overdue sums from the due date until payment in full (before and after judgment) at the rate of twenty per cent. (20%) per annum. Such interest shall be calculated on the actual number of days elapsed and on the basis of a 365-day year.

4.4 The Borrower shall pay the Lender such amount as would result in an Internal Rate of Return of no less than 4% per annum on the outstanding principal amount of the Loan, from the Drawdown Date up to (and including) the Repayment Date, excluding all accrued and paid interest, and default interest (if any), and calculated on the basis of the actual number of days elapsed in a year of 365 days, and all other outstanding amounts payable by the Borrower to the Lender.

5. REPAYMENT

5.1 The Borrower shall repay the Loan in full in one lump sum together with all outstanding interest accrued thereon and all other monies payable under this Agreement in one lump sum on the Repayment Date.

6. PREPAYMENT

6.1 The Borrower shall have no right to prepay the whole or any part of the Loan.

7. CHANGES IN CIRCUMSTANCES

7.1 If at any time the Lender determines that any law or regulation or application or interpretation thereof by any governmental agency or judicial authority shall make it (or make it apparent to the Lender that it is or will be) unlawful or otherwise not feasible for the Lender to give effect to or maintain its obligations hereunder (which shall include the funding of the Loan by the Lender), upon the Lender notifying the Borrower:

- (1) if the Loan shall not have been drawn, the Lender's commitment hereunder shall be cancelled; and
- (2) if the Loan shall have been drawn, the Borrower shall, upon the Lender's demand, repay the Lender the whole (but not part only) of the Loan together with interest accrued thereon and any other amounts payable to the Lender hereunder.

7.2 If at any time the Lender determines that, as a result of any law or regulation or any application or interpretation by any governmental agency or judicial authority:

- (1) the Lender is subjected or will be subjected to tax or the Lender's basis of taxation is changed or will be changed (other than tax on overall net income of the Lender and/or a change of the rate of such tax) in respect of repayment of the Loan or the payment of interest thereon or any amounts payable hereunder; or
- (2) any reserve requirement against any assets, deposits with or for the account of, or loans by the Lender is imposed, modified or deemed applicable or will be imposed, modified or deemed applicable; or
- (3) the basis of tax on the Lender in respect of any principal or interest paid by the Lender on, or otherwise in respect of, deposits from third parties acquired or utilised to effect or maintain the Loan or any part of it; or
- (4) any other condition affecting this Agreement or the Loan is imposed or will be imposed;

and the result of the foregoing is:

- (a) to increase the cost to the Lender of making or funding the Loan; or
- (b) to reduce any amount payable to the Lender or to reduce its effective return hereunder; or
- (c) that the Lender is required to make any payment or forego any interest or

other return on or calculated by reference to the gross amount of any sum receivable by it from the Borrower hereunder,

by or of an amount which the Lender deems material, then and in any such case the Borrower shall pay to the Lender from time to time on demand such amount as will compensate the Lender for such additional cost, reduction, payment or foregone interest or other amount.

7.3 A certificate of the Lender as to the amount payable by the Borrower under Clause 9.2 and the basis therefor shall, in the absence of manifest error, be conclusive and binding on the Borrower.

8. PAYMENTS

8.1 All payments to be made by the Borrower to the Lender pursuant to this Agreement shall be made in United States dollars in immediately available funds without deduction or withholding and, unless expressly provided in this Agreement to the contrary, shall be made to the Lender not later than 4:00p.m. (Hong Kong time) on the due day to such account as the Lender may from time to time stipulate in writing.

9. TAXES

9.1 All amounts payable by the Borrower hereunder shall be made without set-off, counterclaim or other deductions and free and clear of and without deduction for or on account of any taxes (other than tax on overall net income of the Lender) now or hereafter imposed, levied, collected, withheld or assessed by any country, state or any political sub-division or taxing authority thereof or therein or any federation or organisation of which any such country, state or any political sub-division thereof may at the time of payment be a member.

9.2 If the Borrower is prohibited by law from making payments without deduction or withholding as provided in Clause 9.1 then:

- (1) the Borrower shall ensure that such deduction and/or withholding does not exceed the minimum legal requirement;
- (2) the Borrower shall pay to the Lender such additional amounts as necessary in order that the net amounts received by the Lender, after such deduction or withholding shall equal the amount which it would have received had no such deduction or withholding been required to be made;
- (3) the Borrower shall immediately and in any event no later than the date after which penalties would attach cause to be paid over to the relevant authority the full amount of the deduction or withholding which it is required to deduct or withhold including the whole amount of any deduction or withholding from any additional amount paid pursuant to paragraph (2) above; and
- (4) the Borrower shall deliver to the Lender within thirty (30) days of payment or the due date or on demand satisfactory evidence of payment of such deduction or withholding to the relevant authority.

9.3 Without prejudice and in addition to Clauses 9.1 and 9.2, the Borrower shall fully indemnify and keep the Lender fully indemnified against all tax (other than tax on the overall net income of the Lender) now or hereafter imposed, levied, collected or assessed by the taxing authority of Hong Kong or other jurisdiction in respect of interest, front-end fees, and other sums of a similar nature paid or

payable by the Borrower to the Lender under this Agreement. For the purpose aforesaid, the Borrower shall, on each occasion on which payment is made by the Borrower to the Lender in respect of interest, front-end fees and other sums of a similar nature under this Agreement, pay to the Lender such additional amount as the Lender may require to discharge the tax imposed by the taxing authority of Hong Kong or other jurisdiction on such payment.

10. REPRESENTATIONS AND WARRANTIES

10.1 The Borrower hereby represents and warrants to the Lender as follows:

- (1) the Borrower has been duly incorporated and is validly existing under the laws of its place of incorporation or establishment, has the requisite power, right and authority to own, use, lease and operate its respective assets and to conduct its respective business and is duly qualified to transact business in each jurisdiction in which the conduct of its business or its ownership, use or leasing of property requires such qualification; no order has been made, petition filed or resolution passed for its winding up, no scheme of arrangement has been proposed by it with its creditors or shareholders and no notice of appointment of a liquidator, receiver, administrative receiver or administrator has been served on it and there is no step or legal proceeding threatened against any of them for bankruptcy, insolvency, liquidation, winding-up, administration, dissolution or reorganization or for the appointment of a receiver, administrative receiver, trustee or similar officer of their or any or all of their assets or revenues; and the Borrower is not insolvent;
- (2) the Borrower has full power and authority to (a) own its assets, (b) carry on its business as it is now being conducted; (c) make borrowings hereunder upon the terms and conditions of this Agreement; and (d) enter into and perform its obligations under this Agreement;
- (3) all necessary actions and authorisations for the Borrower to enter into this Agreement and to perform its obligations hereunder or thereunder have been taken and obtained;
- (4) the execution, delivery and performance by the Borrower of this Agreement will not exceed any power granted to him, or violate in any material respect any provision of (a) any law or regulation or any order or decree of any governmental agency or court to which it is subject; or (b) any mortgage, charge, deed, contract or other undertaking or instrument to which it is a party or which is binding upon it or its assets, and will not result in the creation or imposition of, or any obligation to create or impose, any Encumbrance on any of its assets;
- (5) this Agreement constitutes or will, when executed, constitute the legal, valid and binding obligations of the Borrower, enforceable in accordance with its respective terms;
- (6) all governmental or other authorisations, approvals and consents required for or in connection with the execution, delivery, performance, legality, validity, enforceability and admissibility in evidence of this Agreement have been obtained and all such authorisations, approvals and consents are in full force and effect;
- (7) no action, suit or proceeding is pending or threatened against the Borrower before any court, board of arbitration or administrative agency or tribunal which the Lender may at its absolute discretion consider to be material on the business, assets or condition (financial or otherwise) of the Borrower on the ability of the Borrower to

perform its obligations under this Agreement or other documents to which it is a party;

- (8) no winding-up proceeding(s) has/have been started or is threatened to be taken against and pending against the Borrower or for the appointment of a receiver, trustee or similar officer of the Borrower;
- (9) the Borrower is not in default or has committed any breach of or under any agreement to which it is a party or by which it may be bound and as at the date of this Agreement, no condition, event or act exists or has occurred, which, with the lapse of time or the giving of notice or both or the fulfillment of any other condition would constitute such a default or breach;
- (10) the obligations of the Borrower under this Agreement rank and will continue to rank in priority to its existing and future unsecured and unsubordinated obligations except as otherwise provided by the relevant insolvency legislation affecting the rights of creditors generally;
- (11) the Borrower is not required to make any deduction or withholding from amounts payable under this Agreement for or on account of any taxes now or hereafter imposed by any taxing authority;
- (12) no Event of Default has occurred or will occur as a result of the entry into this Agreement by the Borrower;
- (13) the Loan will be used solely and exclusively for the purposes, if any, as set out herein;
- (14) the financial statements of the Borrower provided to the Lender is true and accurate and there is no material adverse change in the financial position of the Borrower since the date of those financial statements;
- (15) it is not necessary to ensure the legality, validity, enforceability or admissibility in evidence of this Agreement that it or any other instrument be notarised, filed, recorded, registered or enrolled in any court, public office or elsewhere or that any stamp, registration or similar tax or charge be paid in Hong Kong or elsewhere on or in relation to this Agreement and this Agreement is in proper form for its enforcement in the courts of Hong Kong;
- (16) the Borrower has not made any loan or advanced any money or granted any credit to any person (save as permitted under this Agreement or in the ordinary course of business);

10.2 The Borrower hereby further represents, warrants and agrees that each of the representations and warranties contained in Clause 10.1 shall be correct and complied with in all respects for so long as any part of the Loan or interest thereon or any other amounts payable hereunder or any of them remain outstanding and shall without prejudice to the foregoing be deemed to be repeated on the Drawdown Date.

10.3 The Borrower hereby acknowledges that the Lender has agreed to make the Loan available to the Borrower in reliance upon the representations and warranties contained in Clause 10.1.

11. COVENANTS

11.1 The Borrower hereby further covenants and agrees with the Lender that so long as any part of the Loan or interest thereon or any other amounts payable hereunder or any of them remain outstanding, it shall (where applicable):

- (1) promptly advise the Lender in writing of details of any litigation, arbitration or administrative proceeding which would have rendered the representation and warranty contained in Clause 10.1 incorrect had the same been current or threatened as at the date hereof immediately upon occurrence of the same;
- (2) deliver to the Lender within the period specified in any notice from the Lender, all such other information relating to the condition (financial or otherwise) of the Borrower as the Lender may request;
- (3) in all respects observe and comply with the covenants and obligations under this Agreement and other documents to which it is a party;
- (4) promptly advise the Lender upon becoming aware of (i) any Event of Default; or (ii) any material adverse factor which may inhibit the Borrower in the performance of its obligations under this Agreement to which it is a party;
- (5) ensure there is no material adverse change to the financial position of the Borrower;
- (6) ensure that the issued shares of the Borrowers shall remain so listed on the Stock Exchange throughout the term of this Agreement; and
- (7) ensure that the ratio of the outstanding Loan amount to value (the "LTV") of charged equity securities or underlying securities or assets in the Designated Securities Account (with referencing to the closing price of the charged equity securities as quoted on the Stock Exchange) shall be not more than 25%. In the event that the LTV exceeds 25%, the Borrower will procure the Chargor to deposit additional Borrower Shares or cash to the Designated Securities Account within two (2) trading days of the Stock Exchange, provided that the number of the Borrower Shares in the Designated Securities Account shall at all times not exceed 850,000,000.

11.2 The Borrower hereby covenants and agrees with the Lender that so long as any part of the Loan or interest thereon or any other amounts payable or any of them remain outstanding, it will not, without the prior written consent of the Lender:

- (1) dispose of the whole or any significant part of its business assets;
- (2) except pursuant to or permitted by this Agreement or liens arising solely by operation of law, create or permit to exist any Encumbrance over the whole or any part of its assets;
- (3) acquire beneficial or legal ownership of any shares, rights, or securities of or in any other company or any assets or undertakings or undertake any trade or business constituting a very substantial acquisition on the part of the Borrower; and
- (4) pass any directors' resolutions or shareholders' resolutions to voluntarily wind up, liquidate or dissolve the Borrower.

12. EVENTS OF DEFAULT

12.1 There shall be an Event of Default if any one of the following events shall have occurred or is continuing:

- (a) the Borrower fails to pay any amount which becomes due in accordance with the terms of this Agreement;
- (b) any representation or warranty given by any of the Borrower and Chargor in any of the Transaction Documents or in any other documents delivered by or on behalf of any Chargor under or in connection with any of the Transaction Document is inaccurate, misleading or untrue in any respect;
- (c) any of the Group Companies fails to perform or comply with any of their respective covenants, undertakings or obligations under (i) any Transaction Document or (ii) any other agreement to which it is a party which will materially affect the Borrower's ability to perform its obligations under the Transaction Documents;
- (d) any Group Company (i) is (or is, or could be, deemed by law or a court to be) insolvent or bankrupt or unable to pay its debts as and when they become due; (ii) stops, suspends or threatens to stop or suspend payment of all or a material part of its debts as and when they become due; (iii) proposes or makes any agreement for the deferral, rescheduling or other readjustment of all of its debts (or of any part which it will or might otherwise be unable to pay when due) or (iv) proposes or makes a general assignment or an arrangement or composition with or for the benefit of the relevant creditors in respect of any of such debts or a moratorium is agreed to or declared in respect of or affecting all or any part of the debts of the Borrower or any of its subsidiaries;
- (e) a distress, attachment, execution, seizure before judgment or other legal process is levied, enforced or sued out on or against any part of the property, assets or turnover of the Group;
- (f) an order is made, petition is filed or an effective resolution passed for the winding-up or dissolution or administration or liquidation of any Group Company (except for a members' voluntary solvent winding-up) or the Chargor, and is not discharged or stayed within two (2) calendar months, whereby the undertaking and assets of such Group Company are transferred to or otherwise vested in the Borrower or another Group Company;
- (g) an encumbrancer takes possession of, or a receiver, manager, administrator, liquidator or other similar officer is appointed for, the whole or any material part of the property, assets or turnover of the Chargor or the Borrower or any of its subsidiaries (as the case may be);
- (h) any step is taken by any Governmental Authority which results in the seizure, compulsory acquisition, expropriation or nationalisation of all or a material part of the assets of any Group Company; or any Group Company is prevented from exercising normal control over all or any substantial part of its property, assets and turnover;
- (i) any action, condition or thing (including the obtaining or effecting of any necessary consent, approval, authorisation, exemption, filing, licence, order, recording or

registration) at any time required to be taken, fulfilled or done in order (i) to enable the Borrower lawfully to enter into, exercise its rights and perform and comply with its obligations under, this Agreement; (ii) to ensure that those obligations are legally binding and enforceable and (iii) to make this Agreement admissible in evidence in the courts of the Cayman Islands or British Virgin Islands or Hong Kong is not taken, fulfilled or done;

- (j) it is unlawful for the Borrower or the Chargor to perform or comply with any one or more of its obligations under the Transaction Documents;
- (k) any event occurs which has effect of change of control (within the meaning of the Code on Takeovers and Mergers) of the Borrower;
- (l) the Group fails to comply with or pay any sum due from it under any final judgment or any final order made or given by any court or arbitration institute of competent jurisdiction;
- (m) any occurrence of events which may have a Material Adverse Effect;
- (n) if the trading of the issued shares of the Borrower on the Main Board of the Stock Exchange is suspended as a result of any reason, including, without limitation, material adverse market disclosure by the Borrower or any disciplinary actions taken by a regulatory body against the Borrower, and such suspension continues for five (5) consecutive trading days;
- (o) the issued shares of the Borrower cease to be listed or admitted to trading on the Main Board of the Stock Exchange;
- (p) there is, or is agreed to be, any transfer of all or substantially all of the assets of the Group as a whole;
- (q) the auditors of the Borrower are unable to prepare the audited accounts of the Borrower or issue an opinion other than an unqualified opinion in respect of such audited accounts which will materially adversely affect the operation of the Group as a whole;
- (r) any Group Company enters into or expands any business outside the existing scope of its business, changes the scope of the existing Principal Business or ceases to carry on the business;
- (s) the Borrower disposes of its material assets (or any interest therein) or contracts to do so;
- (t) any occurrence of an event of default under such loan or other financial agreements to which any Group Company is a party;
- (u) the amount of default payment payable but unpaid by Differ Guarantee Company Limited (鼎豐擔保股份有限公司), a Group Company established in the People's Republic of China, in each financial year exceeds RMB50,000,000 or its Equivalent Amount, or the aggregate amount of default payment paid and the amount of default payment payable but unpaid by Differ Guarantee Company Limited in each financial year exceeds RMB100,000,000 or its Equivalent Amount;

- (v) unless with the prior written consent of the Lender or pursuant to the Transaction Documents, the Chargor disposes, transfers or otherwise creates Encumbrances over the assets directly or indirectly owned by it in the Designated Securities Account;
- (w) any event occurs which under the laws of any relevant jurisdiction has an analogous effect to any of the events referred to in any of the foregoing paragraphs.

12.2 Upon the occurrence of an Event of Default and at any time thereafter, the Lender may by notice in writing to the Borrower declare the Loan, all interest accrued thereon and all other monies payable under this Agreement to be forthwith due and payable whereupon the same shall be forthwith due and payable.

13. INDEMNITIES

13.1 Without prejudice to any other right or remedy of the Lender, upon:

- (1) the occurrence of an Event of Default; and/or
- (2) the declaration of the Loan to be immediately due and payable pursuant to Clause 12.2 or otherwise in accordance with the terms of this Agreement; and/or
- (3) the Borrower failing to borrow the Loan or satisfy conditions precedent after having delivered the Notice of Drawing; and/or
- (4) any repayment or prepayment being made otherwise than on the Repayment Date or the intended date of prepayment; and/or
- (5) any sums payable by the Borrower under this Agreement not being paid when due, and at any time thereafter,

the Borrower shall pay to the Lender on demand such amount or amounts as shall fully indemnify the Lender against all losses, expenses and liabilities which the Lender may sustain or incur by reason of the occurrence of any of the foregoing including but not limited to any loss, expense, premium or penalties suffered or incurred by the Lender in liquidating or re-employing deposits from third parties acquired to effect or maintain the Loan or any part thereof. A certificate of the Lender setting forth the amount of such losses, expenses and liabilities and specifying the basis therefor shall, in the absence of manifest error, be conclusive and binding on the Borrower.

13.2 Any payment made to the Lender by or on behalf of the Borrower in a currency (the "Currency of Payment") other than the currency in which the payment should have been made pursuant to this Agreement (the "Currency of Obligation") in whatever circumstances including without limitation the payment of damages for breach of this Agreement shall only constitute a discharge to the Borrower to the extent of the amount of the Currency of Obligation which the Lender is able, on the Business Day following the date of receipt by it of such payment in the Currency of Payment, to purchase in the foreign exchange market of its choice with the amount so received. If the amount of the Currency of Obligation which the Lender is so able to purchase falls short of the amount originally due to the Lender hereunder, the Borrower shall fully indemnify and hold the Lender harmless against any loss or damage arising as a result. This indemnity shall constitute a separate and independent obligation from the other obligations herein and shall give rise to a separate and independent cause of action.

14. FEES AND EXPENSES

14.1 The Borrower shall pay to the Lender on demand on a full indemnity basis:

- (1) all costs, charges and expenses (including legal fees on a full indemnity basis) incurred by the Lender in connection with the negotiation, preparation and execution of this Agreement and all other documents ancillary to or derived from any of them; and
- (2) all costs, charges and expenses (including legal fees on a full indemnity basis) incurred by the Lender in connection with the perfection and enforcement of the security created by this Agreement or the preservation, enforcement, exercise or intended or attempted exercise of any of the rights, powers or remedies of the Lender hereunder or thereunder or otherwise in connection with the Loan or the admissibility in evidence of this Agreement.

15. RIGHT OF SET-OFF

15.1 Without prejudice to any other right or remedy of the Lender, the Borrower hereby authorises the Lender without notice notwithstanding any settlement of account or other matter whatsoever combine or consolidate all or any then existing accounts (whether current, deposit, loan or of any other nature whatsoever) and whether in Hong Kong dollars or in any other currency of the Borrower whether alone or jointly with others and to apply (to the extent of the available credit balance) any credit balance (whether or not then due) to which the Borrower is entitled on any one or more of such accounts in or towards satisfaction of any liabilities of the Borrower to the Lender under this Agreement to which the Borrower is a party whether such liabilities be present, future, actual, contingent, primary, collateral, several or joint. For the purposes aforesaid, the Lender may use all or any part of such credit balance to buy such other currencies as may be necessary to effect such application or set-off.

15.2 If all monies payable under this Agreement become due and payable pursuant to a declaration under Clause 12.2, all monies received or recovered by the Lender under this Agreement shall be applied, subject to any prior ranking claims, and subject to the right of the Lender to credit any such monies to a suspense account as follows:

- (1) in or towards the discharge of, on a full indemnity basis, all costs, expenses and charges (including legal fees) incurred by the Lender in connection with the perfection and enforcement of this Agreement and the preservation or exercise or intended or attempted exercise of any rights, powers and remedies hereunder or thereunder or otherwise in connection with the Loan or the admissibility in evidence of this Agreement;
- (2) in or towards the discharge of front-end fees and all other amounts (other than the Loan and interest payable by the Borrower under this Agreement) payable by the Borrower pursuant to, under or in connection with this Agreement;
- (3) in or towards the discharge of interest (including default interest) payable by the Borrower pursuant to, under or in connection with this Agreement;
- (4) in or towards the discharge of the Loan; and
- (5) as to the balance, subject to the rights of any third parties of which the Lender has actual notice, to the Borrower.

16. CONFIDENTIALITY

16.1 No public announcement or communication of any kind shall be made in respect of the subject matter of this Agreement unless specifically agreed between the parties or unless an announcement is required pursuant to the applicable law and the regulations or the requirements of the Stock Exchange or any other regulatory body or authority. Any announcement by any party required to be made pursuant to any relevant law or regulation or the requirements of the Stock Exchange or any other regulatory body or authority shall be issued only after such prior consultation with the other party as is reasonably practicable in the circumstances.

16.2 Each of the parties undertakes to the other of them that it will not, at any time after the date of this Agreement, divulge or communicate to any person other than to its professional advisers, or when required by law, or to its respective officers or employees whose province it is to know the same any confidential information concerning the business, accounts, finance or contractual arrangements or other dealings, transactions or affairs of the other party which may be within or may come to its knowledge and it shall use its best endeavours to prevent the publication or disclosure of any such confidential information concerning such matters.

17. NOTICES

17.1 All notices or communications required to be served or given pursuant to this Agreement:

- (1) shall be in writing and may be sent by prepaid postage, mail (by airmail if to another country) or facsimile, by email or personal delivery;
- (2) shall be sent to the parties at the facsimile number, email address or address from time to time designated in writing by that party to the other; the initial facsimile number, email address and address so designated by each party being set out in Schedule 1;
- (3) if sent by the Borrower shall be irrevocable and shall not be effective until actually received by the Lender;
- (4) if sent to the Borrower shall be deemed to have been given and received by the Borrower (a) within three (3) days after the date of posting, if sent by mail; (b) when delivered, if delivered by hand; and (c) on despatch, if sent by facsimile or by email; and
- (5) shall be in the English language.

18. MISCELLANEOUS

18.1 A certificate issued by the Lender as to any sum payable by the Borrower under this Agreement and any other certificate, determination, notification or opinion of the Lender provided for in this Agreement shall, in the absence of manifest error, be conclusive evidence against the Borrower.

18.2 If at any time any provision hereof is or becomes illegal, invalid or unenforceable in any respect under the laws of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions hereof nor the legality, validity or enforceability of such provision under the laws of any other jurisdiction shall in any way be affected or impaired thereby.

18.3 Save as may be expressly otherwise provided herein, time is of the essence of this Agreement

but no failure or delay on the part of the Lender to exercise any power, right or remedy hereunder shall operate as a waiver thereof nor shall a waiver by the Lender of any particular default by the Borrower affect or prejudice the right, power or remedy of the Lender in respect of any other default or any subsequent default of the same or a different kind nor shall any single or partial exercise by the Lender of any power, right or remedy hereunder preclude any other or further exercise thereof or the exercise of any power, right or remedy.

18.4 No power, right or remedy conferred under this Agreement upon the Lender is intended to be exclusive of any other power, right or remedy but shall be cumulative and shall be in addition to every other power and remedy now or hereafter existing at law, in equity, by statute or contract or otherwise.

18.5 No waiver of any Event of Default shall be effective unless in writing signed by the Lender.

18.6 This Agreement may not be amended save in writing duly signed by all parties hereto and thereto.

18.7 The Lender may grant waivers, consents or indulgence in respect of any one or more obligations of or conditions or requirements imposed on or applied to the Borrower under or in connection with this Agreement including without limitation any condition or requirement applicable to the making of a drawing under the Loan, or prepayment of the Loan and any such waiver, consents or indulgence may be given subject to such terms and conditions as may be imposed by the Lender.

18.8 This Agreement can be executed in any number of counterparts, but all counterparts shall constitute only one agreement.

19. ASSIGNMENT

19.1 This Agreement shall enure to the benefit of the parties hereto and their respective successors, assignees and transferees.

19.2 The Borrower may not assign any of its rights or obligations under this Agreement.

19.3 The Lender may at any time without the consent of or notice of the Borrower assign its rights and benefits hereunder or any part thereof to any one or more persons on such terms and conditions as it may deem fit. The assignee lender(s) shall have the same rights and benefits and/or obligations against the Borrower under this Agreement as if it/they were an original party thereto in respect of the rights and benefits and/or obligations assigned to it/them. The Lender may disclose to a potential assignee or any other person proposing to enter into contractual arrangements with it in relation to this Agreement such information about the Borrower as it may think fit.

20. LAW AND JURISDICTION

20.1 This Agreement shall be governed by and construed in accordance with the laws of Hong Kong.

20.2 The Borrower hereby irrevocably submits to the jurisdiction of the courts of Hong Kong and of any country in which it has assets and hereby irrevocably waives any objection to any proceedings in any such courts on the basis of forum non conveniens. The Borrower agrees that a judgment in any proceedings brought in any such courts may be enforced in any other jurisdiction by suit on the judgment or in any other manner permitted by law.

20.3 The submission in Clause 20 is non-exclusive and the Lender reserves the right to proceed in

any other jurisdiction having or claiming or accepting jurisdiction in respect thereto.

20.4 Notwithstanding any other provisions of this Agreement, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any provisions of this Agreement.

Schedule 1

Address and Facsimile Number for Notification

<u>Party</u>	<u>Address</u>	<u>Facsimile number</u>	<u>Email address</u>
<u>The Borrower</u>	Room 1602, Euro Trade Centre, 13-14 Connaught Road Central, Central, Hong Kong	(852) 2592 7777	rcheng@dfh.cn tanwd@dfh.cn
<u>The Lender</u>	45/F, COSCO Tower, 183 Queen's Road Central, Hong Kong	(852) 2235 7878	amy.liu@cinda.com.hk/ shana.wu@cinda.com.hk

Schedule 2

NOTICE OF DRAWING

Date:

To: **Jianda Value Investment Fund L.P.**

We refer to the loan agreement dated 14 February 2017 (the "Loan Agreement") pursuant to which you have agreed to make the loan in the principal amount of US\$10,000,000 to us.

We hereby:

- (1) give you notice that we intend to make a drawing of US\$10,000,000 on the date hereof;
- (2) certify that no Event of Default or condition, act or event which, with the giving of notice or lapse of time or both or the fulfillment of any other condition would constitute an Event of Default has occurred, is continuing or would result from the drawing requested hereunder; and
- (3) represent and warrant that the representations and warranties set out in Clause 10 of the Loan Agreement are true and correct on the date hereof with reference to the facts and circumstances now existing.

You may either issue a cheque in the sum of US\$10,000,000 and payable to "Differ Group Holding Company Limited" in respect of the drawdown of the loan or by way of CHATS to transfer the loan to the following bank account:

Bank name: China Construction Bank (Asia)
Account holder name: DIFFER GROUP HOLDING COMPANY LIMITED
Account number: 8469 2105 3150
Swift code: CCBQHKAXWHS

Expressions capitalised and not defined in this Notice of Drawing shall have the meanings attributed thereto in the Loan Agreement.

Yours faithfully
For and on behalf of
Differ Group Holding Company Limited

CAI HUATAN
Director

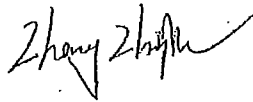
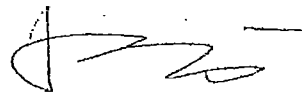
IN WITNESS hereof the parties hereto have duly executed this Agreement as a deed
the day and year first above written.

THE LENDER

SIGNED by Cinda Resources Investment)
Limited in its capacity as the General Partner)
for and on behalf of)

Jianda Value Investment Fund L.P.)

in the presence of:)



THE BORROWER

SIGNED by CAIBUATAN)
for and on behalf of)

Differ Group Holding Company Limited)

in the presence of:)

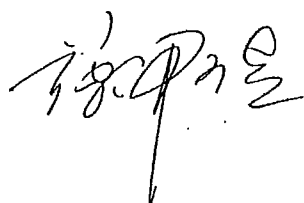
IN WITNESS hereof the parties hereto have duly executed this Agreement as a deed
the day and year first above written.

THE LENDER

SIGNED by Cinda Resources Investment)
Limited in its capacity as the General Partner)
for and on behalf of)
)
Jianda Value Investment Fund L.P.)
)
)
in the presence of:)

THE BORROWER

SIGNED by CAI HUATAN)
)
for and on behalf of)
)
Differ Group Holding Company Limited)
)
in the presence of:)



CHAN SO FUN
a Solicitor of the High Court of the
Hong Kong Special Administrative Region
MICHAEL LI & CO.