

Dated the day of August 2017

**DIFFER GROUP HOLDING
COMPANY LIMITED
(as Company)**

and

**QUASAR SECURITIES COMPANY LIMITED
(as the Placing Agent)**

PLACING AGREEMENT

INDEX

1.	INTERPRETATION.....	1
2.	PLACING	3
3.	WARRANTIES AND UNDERTAKINGS	4
4.	INDEMNITY AND NO CLAIMS	5
5.	COMPLETION	6
6.	COMMISSIONS AND EXPENSES	7
7.	TERMINATION.....	7
8.	MISCELLANEOUS	8
9.	NOTICES.....	8
10.	GOVERNING LAW.....	9

THIS AGREEMENT is dated [] August 2017.

BETWEEN:

- (1) **DIFFER GROUP HOLDING COMPANY LIMITED**, a company incorporated in Cayman Islands with limited liability and having its registered office at Room 1602 Euro Trade Centre 13-14 Connaught Road Central, Hong Kong (the “**Company**”);
- (2) **QUASAR SECURITIES COMPANY LIMITED**, whose principal place of business is situated at Unit A, 12/F, Harbour Commercial Building, 122-124 Connaught Road Central, Sheung Wan, Hong Kong (the “**Placing Agent**”); and

WHEREAS:

- (A) The Company is a company incorporated in Cayman Islands with limited liability, the issued shares of which are listed on the Main Board of the Stock Exchange (Stock Code: 6878).
- (B) The Company proposed to offer the Bonds (as defined hereinafter) for subscription upon the terms and subject to the conditions set out in this Agreement.
- (C) The Placing Agent have agreed to endeavor to procure subscriptions for the Bond, on the terms and subject to the conditions hereinafter mentioned.

IT IS HEREBY AGREED as follows:

1. INTERPRETATION

- 1.1 In this Agreement, including the Recitals hereto, unless the context otherwise requires:

“Announcement”	the announcement in the agreed form annexed hereto marked “A” proposed to be issued by the Company in substantially the same form immediately following the execution of this Agreement
“Articles”	the articles of association for the time being of the Company
“associate(s)”	has the meaning ascribed to it under the Listing Rules
“Bond(s)”	6.0% per annum coupon unlisted bonds to be issued by the Company in an aggregate principal amount of up to HK\$200 million maturing on, in respect of each Bond, the date on which the 54 th month immediately

	following the date of issue of the relevant Bond (excluding such date of issue) expires
“business day”	a day on which banks in Hong Kong are open for business, other than:- (i) a Saturday or a Sunday; or (ii) a day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.
“HK\$”	Hong Kong dollars
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	any professional investor(s) (as defined in the SFO and any rules made under SFO) procured by the Placing Agent to subscribe for any of the Bonds pursuant to this Agreement
“Placing”	the placing of the Bonds by the Placing Agent pursuant to Clause 2
“Placing Completion”	the completion of the Placing
“Placing Period”	a period of 180 days starting from the date of this Agreement with an optional extension of another 550 days or such longer period as mutually agreed by the Company and the Placing Agent in writing
“SFO”	Securities and Futures Ordinance, Chapter 571 of the Laws of Hong Kong
“Share(s)”	ordinary share(s) in the share capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“this Agreement”	this placing agreement, as amended from time to time

1.2 In this Agreement, references hereto to “Clauses” are to clauses of this Agreement.

1.3 In this Agreement, unless the context otherwise requires, the singular includes the

plural and vice versa, words importing one gender include all genders and references to persons include bodies corporate or unincorporate.

- 1.4 Headings of this Agreement are for convenience only and shall not affect the interpretation of this Agreement.
- 1.5 References in this Agreement to date and time are to Hong Kong date and time.
- 1.6 The Recitals of this Agreement shall form part of this Agreement.

2. PLACING

- 2.1 The Placing Agent agrees, on the terms and subject to the conditions set out in this Agreement, to act as the placing agent of the Company to procure Placees who are not and whose ultimate beneficial owner(s), if applicable, are not connected persons (as defined in the Listing Rules) of the Company to subscribe for the Bonds (in denomination of **HK\$500,000** or integral multiples thereof), on a best effort basis, within the Placing Period.
- 2.2 The Company hereby appoints the Placing Agent as its non-exclusive placing agent for the Placing Period to procure such Placees to subscribe for the Bonds (in denomination of **HK\$500,000** or integral multiples thereof) on the terms and subject to the conditions set out in this Agreement. The Placing Agent may carry out the Placing itself and/or through the agency of other agents (“sub-agents”). Any transaction properly carried out by the Placing Agent (or any sub-agent(s) appointed by the Placing Agent pursuant to this Clause 2.2) pursuant to this Agreement shall constitute a transaction carried out by the Placing Agent or by the sub-agent(s) as the Company’s agent(s) and not on account of or for the Placing Agent. The Placing Agent shall not be responsible for any loss or damage (except for any loss or damage arising out of or in connection with any fraud, willful default or gross negligence on the part of the Placing Agent or any sub-agent(s) appointed by the Placing Agent pursuant to this Clause 2.2) to the Company arising from any such transaction or for any alleged insufficiency of the price at which the Bonds are subscribed hereunder.
- 2.3 The Company hereby confirms that the foregoing appointment confers on the Placing Agent in accordance with the provisions hereof all powers, authorities and discretions on the Company’s behalf which are necessary for, or reasonably incidental to, the Placing and hereby agrees to ratify and confirm everything which the Placing Agent shall lawfully and reasonably do or have done pursuant to or in anticipation of the terms of this Agreement.
- 2.4 The Placing Agent agrees, confirms and undertakes to the Company that:
 - (i) it has not offered or sold and will not offer or sell (including in the case of an on-sale by the Placing Agent) in Hong Kong, by means of any document, any Bonds other than (a) to “professional investors” as defined in the SFO and any rules made under the SFO; or (b) in other circumstances which do not result in the document being a “prospectus” as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) of Hong Kong or which do not constitute an offer to the public within

the meaning of that the Companies Ordinance (Chapter 622 of the Laws of Hong Kong) of Hong Kong, and that no invitation or advertisement relating to the Placing will be made or issued in Hong Kong other than to persons whose business involves the acquisition, disposal or holding of securities, whether as principal or agent;

- (ii) it has not offered or sold and will not offer or sell, directly or indirectly, any of the Bonds in breach of any applicable legislation and it has not issued or had in its possession for the purposes of issuing, and will not issue or have in its possession for the purposes of issuing, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Bonds, which is directed at, or the contents of which are likely to be accessed or read by, the public in Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to the Bonds which are or are intended to be disposed of only to “professional investors” as defined in the SFO and any rules made under the SFO;
- (iii) the Placing Agent shall procure that the sub-agents and all other person through whom it may effect the Placing or offer any Bonds shall comply with all relevant obligations to which the Placing Agent is subject under the terms of this Agreement;
- (iv) the Placing Agent shall use all reasonable endeavours to ensure (i) that the Placees shall not be and their ultimate beneficial owner(s), if applicable, shall not be, connected persons (as defined under the Listing Rules) of the Company and (ii) that the Placees shall be third parties independent from the Company and its associates and from the directors, chief executive or substantial shareholders (as defined in the Listing Rules) of the Company or its subsidiaries or any of their respective associates and that (where required) each of them is a professional investor as defined in Schedule 1 to the SFO and any rules made under the SFO;
- (v) it will not make any representations in connection with the Bonds which are materially different from those previously approved by the Company or otherwise in accordance with information in the public domain; and
- (vi) it has not made and shall not make to any person to whom the Bonds may be offered any representation or statement regarding the Company, the Group or the financial or business position or prospects of the Company or the Group which was not or is not, at the time of making the same, general public knowledge in the marketplace.

3. WARRANTIES AND UNDERTAKINGS

3.1 The Company represents, warrants and undertakes to the Placing Agent that:

- (i) the Bonds will be issued in accordance with the Articles, all relevant laws of Hong Kong and the rules and regulations of the Stock Exchange, including without limitation the Listing Rules;

- (ii) the Company has full power, authority and consent to issue the Bonds and does not require the consent thereto of any other party;
- (iii) all authorities necessary to enable the Bonds to be issued by the Company to the Placee and/or the Placee's nominees and the Bonds to be subscribed by the Placee has been obtained, if applicable;
- (iv) the Company has power to enter into this Agreement and this Agreement has been duly authorised and executed by, and constitutes legally binding obligations of the Company and the creation of the Bonds and their issue pursuant to this Agreement will not cause any breach of any agreement to which the Company and/or any of its subsidiaries is a party or by which it is or any of them is bound and will not infringe or exceed any limits on, powers of, or restrictions on or the terms of any contract, obligations or commitment whatsoever of, the Company and/or any of its subsidiaries and/or their respective boards of directors; and
- (v) the particulars of the Company as set out in this Agreement are true and complete in all materials respects.

3.2 Each of the parties hereto hereby undertakes to the other party to procure that no disclosure or public announcement or communication (other than the Announcement) concerning the Placing and the Company which is material in relation to the Placing shall be made or dispatched between the date hereof and the Placing Completion without prior written consent of the other parties as to the context, timing and manner of making or dispatch thereof save as required by applicable laws, rules and/or regulations, the Stock Exchange and/or the Securities and Futures Commission and/or other regulatory authorities.

3.3 The representations and warranties contained in this Clause 3 are deemed to be given from the date of this Agreement up to and including the time for Placing Completion and shall remain in full force and effect notwithstanding the completion of the Placing. The Company hereby undertakes to immediately notify the Placing Agent of any matter or event coming to its attention prior to Placing Completion which shows any relevant representation or warranty to be or to have been untrue, inaccurate or the omission of which renders such representation or warranty untrue or inaccurate at the date hereof or at any time prior to Placing Completion.

4. INDEMNITY AND NO CLAIMS

4.1 The Company undertakes with the Placing Agent on demand to hold the Placing Agent fully and effectively indemnified against any and all reasonable losses, claims, costs, charges and expenses (except those arising out of or as a result of or in connection with any fraud, willful default, recklessness or gross negligence on the part of the Placing Agent or any sub-agent(s)) which the Placing Agent may suffer or incur or which may be brought against or incurred by the Placing Agent arising out of or as a result of the proper performance by the Placing Agent of its obligations under this Agreement or any breach (or alleged breach) by the Company of any provision of this Agreement or any breach by the Company of any warranty or undertaking and

any failure by the Company to perform any of its obligations under this Agreement.

- 4.2 No claim shall be made against the Placing Agent by the Company to recover any damage, cost, charge or expense which the Company may suffer or incur by reason of or arising from the carrying out by the Placing Agent of the work to be done by it pursuant hereto or the performance of its obligations hereunder or otherwise in connection with the Placing provided that such damage, cost, charge or expense is not suffered or incurred directly or indirectly as a result of any fraud, default, recklessness, omission or failure to perform its duty hereunder or negligence on the part of the Placing Agent or its affiliates or the sub-agents and/or other person(s) (where appropriate) through whom it may directly or indirectly effect the Placing or offer any Bonds or in connection with a breach by the Placing Agent of any of the provisions of this Agreement.

5 COMPLETION

- 5.1 Placing Completion shall take place at any place the parties hereto may agree in writing (failing which at the registered office of the Company) and on any date within the Placing Period the parties hereto agreed in writing (“**Issue Date**”). Placing Completion may take place in multiple rounds.

- 5.2 By no later than 12:00 noon on the seventh business day preceding each Issue Date, the Placing Agent shall deliver to the Company :-

details of the Placees procured by it to subscribe the Bonds including their names, (for corporations) place of incorporation, addresses (or, for corporations, registered addresses), occupation, the aggregate principal amount of the Bonds, of not less than **HK\$500,000** or integral multiples and not exceeding **HK\$50,000,000**, to be subscribed by each Placee (the “**Subscription Bonds**”).

For the avoidance of doubt, the subscription price paid by the Placees to the Placing Agent is fund received and held by the Placing Agent for and on behalf of the Company. The Company is the beneficial owner of the subscription price notwithstanding that payment has yet to be effected in accordance with Clause 5.3.1.

- 5.3 Upon the subscription of each Bond:

- 5.3.1 By no later than 4:00 p.m. on the business day immediately preceding each Issue Date, the Placing Agent shall effect payment of the subscription price in Hong Kong dollars in the amount equal to the aggregate subscription price payable for the aggregate principal amount of Bonds so subscribed on each Issue Date (after deduction of all placing commission, reasonable fees and expenses payable to or incurred by the Placing Agent under Clause 6, including legal fees and expenses reasonably incurred by the Placing Agent, which, for the avoidance of doubt, includes any professional adviser retained under arrangements which provided that the reasonable costs, fees and/or expenses of such professional adviser are to be paid directly by the Company) to the Company by either (i) the delivery of one or more cashier’s order(s) issued by a licensed bank in Hong Kong or (ii) payment of an amount from immediately available funds in such manner as shall be found by the Company

in its reasonable opinion to be acceptable; and

- 5.3.2 Against due compliance of Clause 5.3.1 by the Placing Agent, the Company shall issue each of the Subscription Bonds in accordance with the details delivered by the Placing Agent pursuant to Clause 5.2 and shall register all such subscribers as holders of each of the Bonds on the Issue Date and deliver to the Placing Agent the definitive certificates of Bonds.

6. COMMISSIONS AND EXPENSES

- 6.1 The Company shall pay to the Placing Agent a placing commission of 0.5 per cent. (0.5%) of the aggregate principal amount of the Bonds successfully subscribed by the Placee(s) in accordance with this Agreement and the Placing Agent is hereby authorised to deduct the said placing commission from the payment to be made by the Placing Agent to the Company at Placing Completion pursuant to Clause 5.3, provided that Placing Completion has occurred in accordance with Clause 5 hereof.
- 6.2 The Company shall be responsible for and pay all reasonable costs and expenses (including legal expenses) reasonably and properly incurred by it in connection with:
- (i) the publication and release of the Announcement (or otherwise such procedures in accordance with the Listing Rules) and the negotiation, preparation and completion of this Agreement; and
 - (ii) the issue of the Bonds.
- 6.3 The Company shall be liable for the reasonable costs and expenses of the Placing Agent and the Company's legal and other professional advisers and out-of-pocket expenses reasonably incurred in connection with the Placing and its associated transactions provided that satisfactory evidence has been given to the Company to prove the same.
- 6.4 Payment of the amounts referred to in Clauses 6.2 and 6.3, to the extent they have been reasonably incurred, shall be made by the Company whether or not Placing Completion takes place.
- 6.5 For the avoidance of doubt, the Placing Agent (or any sub-agents) shall not be liable to the Company or anyone for any costs or expenses in connection with the Placing or howsoever arisen.

7. TERMINATION

- 7.1 The Placing Agent reserves its right to, at its absolute discretion, terminate this Agreement, by notice in writing to the Company before the expiry date of the Placing Period. The Placing may, but not strictly require, to take into account of the following factors before exercising its right under this clause:

- (1) the market condition is not conducive or for any other reason the Placing Agent is unable to complete the Placing; or
- (2) there is any material breach of the warranties, representations and undertakings given by the Company in this Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
- (3) there is or will be, or is likely to be, any event or thing materially adverse to the general affairs, management, business, financial, trading or other condition or prospects of the Company or its subsidiaries or to any present controlling shareholder (as defined in the Listing Rules) of the Company in its capacity as such or any event of force majeure affecting China and Hong Kong; or
- (4) if there is any suspension or material limitation in the trading of the Shares or trading in securities generally on the Stock Exchange and in the case of Shares such an event persists for more than 10 consecutive business days; or
- (5) if there is any cancellation of listing of Shares on the Stock Exchange.

7.2 Upon termination of this Agreement pursuant to this Clause 7, all liabilities of the parties hereto hereunder shall cease and determine and no party hereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with this Agreement save in respect of any antecedent breach of any obligation under this Agreement.

8. MISCELLANEOUS

- 8.1 All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding Placing Completion except in respect of those matters then already performed.
- 8.2 This Agreement may be executed in more than one counterpart each of which shall be binding on the party who shall have executed it but which shall together constitute one agreement.
- 8.3 Time shall be of the essence of this Agreement.

9. NOTICES

- 9.1 Any notice, claim, demand, court process, document or other communication to be given under this Agreement (collectively "**communication**" in this Clause 9) shall be in writing in the English language and may be served or given personally or sent to the address (including cable address) or facsimile numbers (if any) stated after the relevant party's name at the beginning of this Agreement or, where relevant, to the registered office or principal place of business for the time being of the party to be

served, or to such other address as may have been last notified in writing in accordance with this Clause 9 by such party to the party serving the communication specifically referring to this Agreement. All communications shall be served by any of the following means and the addressee of a communication shall be deemed to have received the same within the time stated adjacent to the relevant means of despatch:

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

- 9.2 A communication served in accordance with Clause 9.1 shall be deemed sufficiently served and in proving service and/or receipt of a communication it shall be sufficient to prove that such communication was left at the addressee's address or that the envelope containing such communication was properly addressed and posted or despatched to the addressee's address or that the communication was properly transmitted by facsimile or cable to the addressee. In the case of facsimile transmission, such transmission shall be deemed properly transmitted on receipt of a satisfactory report of transmission printed out by the sending machine.
- 9.3 Nothing in this Clause 9 shall preclude the service of communication or the proof of such service by any mode permitted by law.

10. GOVERNING LAW

- 10.1 This Agreement shall be governed by and construed in accordance with the laws of Hong Kong.
- 10.2 The parties hereto irrevocably submit to the exclusive jurisdiction of the Hong Kong courts.

IN WITNESS whereof the parties or their duly authorised representatives have executed this Agreement on the date first before appearing.

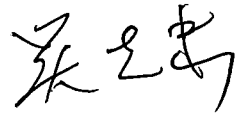
ANNEX A
THE ANNOUNCEMENT

ANNEX B

THE BOND INSTRUMENT

THE COMPANY

SIGNED by)
)
for and on behalf of)
DIFFER GROUP HOLDING)
COMPANY LIMITED)
)
in the presence of:)



THE PLACING AGENT

SIGNED by)
)
for and on behalf of)
QUASAR SECURITIES COMPANY LIMITED)
)
in the presence of:)

THE COMPANY

SIGNED by)
)
for and on behalf of)
DIFFER GROUP HOLDING)
COMPANY LIMITED)
)
in the presence of:)

THE PLACING AGENT

SIGNED by)
)
for and on behalf of)
QUASAR SECURITIES COMPANY LIMITED)
)
in the presence of: **SUEN Kin Pong**)



