

CALL OPTION AGREEMENT

BETWEEN

THE COMPANY

AND

MING FAI HOLDINGS LIMITED

AND

MR. CHING TSUNWAH

DATED THE *16th* TH DAY OF *June* 2021

R&T SOK & HENG | *Cambodia*

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CALL OPTION AGREEMENT

THIS CALL OPTION AGREEMENT (the "Agreement") is made on this ...16th... day of ...June... 2021.

BETWEEN

- (1) **Ming Fai Quality Amenities (Cambodia) Co., Ltd.**, a private limited company duly incorporated and registered under the laws of Kingdom of Cambodia, having commercial registration number 00029475 dated 24 November 2017, having the registered address at National Road No. 41 (Ang Duong Road), Veal Vong Village, Sen Dei Commune, Somrourng Tong District, Kampong Speu Province, the Kingdom Cambodia (herein referred to as the "**Company**" and/or the "**Seller**");
- (2) **Ming Fai Holdings Limited**, a company limited by shares incorporated in the British Virgin Islands, registered under Company Number 1403419, having a registered office at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (herein referred to as the "**Purchaser**").

AND

- (3) **Mr. Ching Tsunwah**, holding Cambodian ID Card no. 011356145 dated 13 September 2019, residing at Unit D3, 8/F, TML Tower, No.3 Hoi Shing Road, Tsuen Wan, Hong Kong (herein referred to as "**CT**").

The Seller, the Purchaser and CT are herein collectively referred to as the "**Parties**" and separately as the "**Party**".

WHEREAS

- (A) The Company is the legal owner of the Assets (as defined in Clause 1.1 below) and has agreed to enter into a call option in favour of the Purchaser on the terms as stated in this Agreement.
- (B) The Company intends to grant the exclusive right to the Purchaser or its assignee(s) to purchase all or part of the Assets on the terms as stated in this Agreement.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement, unless the context requires otherwise, the below terms are defined as follows:

- "**Assets**" : mean all assets of the Company, including but not limited to lands, buildings, cash and bank balances kept in all bank accounts of the Company and rental receivables legally and beneficially owned by the Company as at the date of the Exercise Notice as defined in Clause 4.1 of this Agreement.
- "**Business Day**" : means a day (other than a Saturday, Sunday or public holiday) when banks are open for business in Cambodia and Hong Kong.
- "**Completion**" : means the completion of the exercise of the Option as described in Clause 6.

- "Consideration"** : means the consideration for the Assets payable by the Purchaser on Completion as set out in Clause 5.
- "Encumbrance"** : means any form of legal, equitable, or security interests, including but not limited to any mortgage, assignment, debenture, lien, charge, pledge, title retention, right to acquire, hypothecation, option, right of first refusal, pre-emption right (other than those which appear in a company's memorandum and articles of association or constitutive document), any preference arrangement (including title transfers and retention arrangements or otherwise) or any other encumbrance or condition whatsoever or any other arrangements having similar effect.
- "Exercise Notice"** : means the written notice given by the Purchaser in accordance with Clause 4.1.
-
- "Option Period"** : means the time during which the Purchaser may exercise the Option, as set out in Clause 2.3.
- "Option"** : has the meaning as defined in Clause 2.1
- "United States Dollar(s)"** : mean the lawful currency of the United States of America. and the symbol "US\$"

1.2 Interpretation

- (a) The clause and paragraph headings in the Agreement are for ease of reference only and shall not be taken into account in the construction or interpretation of any covenant, condition or provision to which they refer.
- (b) Words in the Agreement importing the singular meaning shall where the context so admits include the plural meaning and vice versa.
- (c) References in the Agreement to any laws and regulations shall include and refer to any laws and regulations amending, consolidating or replacing them respectively from time to time and for the time being in force.
- (d) References in the Agreement to any government or authority shall include and refer to the authority or body succeeding such authority from time to time.
- (e) Words in the Agreement for the masculine gender shall include the feminine and neuter genders and vice versa and words denoting natural persons shall include corporations and firms and all such words shall be construed interchangeably in that manner.

2. GRANT OF THE OPTION

- 2.1** Pursuant to the terms and conditions under this Agreement, the Company irrevocably grants to the Purchaser or its assignee(s) an exclusive option to purchase all or part of the Assets on the terms set out in this Agreement (the "**Option**").
- 2.2** The Assets shall be sold with full title guarantee free from any and all Encumbrances and with all rights attached to them at the date of Completion.

- 2.3 The Parties agree that the Option is granted for a price of USD1 (One US Dollar), the correct and full payment of which is hereby acknowledged by the Seller on the date of this signing. The Parties further acknowledge and agree that this option price reflects fair consideration for the grant of this Option and waive any rights or claims in relation thereto.

3. TERM/OPTION PERIOD

- 3.1 This Agreement shall continue from the date of signing of this Agreement indefinitely until all the Assets of the Company are transferred to the Purchaser or its assignee(s) and registration process required thereafter has been completed with the relevant local authorities. For the purposes of this Clause 3.1, the date of exercise of the Option is the date on which the Purchaser serves the Exercise Notice on the Seller.

4. EXERCISE

- 4.1 The Option shall be exercised by the Purchaser, or the Purchaser's designee(s), giving the Seller an exercise note ("**Exercise Notice**") in the manner set out in Clause 12 which shall include:

- (a) the date on which the Exercise Notice is given;
- (b) a statement to the effect that the Purchaser is exercising the Option;
- (c) a date on which Completion is to take place;
- (d) a signature by or on behalf of the Purchaser; and
- (e) Other necessary and relevant information.

- 4.2 The Option may be exercised in respect of all or part of the Assets.

- 4.3 Immediately but in any case shall not be later than seven (7) Business Days of the service of the Exercise Notice by the Purchaser, the Seller shall provide the Purchaser with:

- (a) the necessary applications, forms and/or notices duly executed by the Company and any other relevant party required for the purpose of the registration of transfer of ownership or assignment of the Assets at the relevant authorities, banks and third-party payers;
- (b) the necessary shareholders resolution and board resolution of the Company resolving to approve the transfer of the Assets from the Seller to the Purchaser or the Purchaser's assignee(s);
- (c) any other documents, information or cooperation necessary or required for the registration of the transfer of the Assets to the Purchaser or the Purchaser's assignee(s).

- 4.4 The Purchaser shall upon obtaining all necessary documents and information as specified in Clause 4.3 above proceed with the submission of the application, forms and/or notices for the registration of the transfer of the Assets.

5. CONSIDERATION

The Consideration payable on the exercise of the Option shall be at the market value, to the maximum extent allowed by the then applicable Cambodian laws and regulations.



6. COMPLETION

- 6.1 Completion shall take place at the Company's registered address on the date specified in the Exercise Notice or at such other place and time as the Parties may agree in writing.
- 6.2 At Completion, the Seller shall deliver, and/or ensure to deliver, to the Purchaser the following:
- (a) proof of the ownership of the Assets having been transferred or assigned to the name of the Purchaser or its assignee(s); and
 - (b) proof of the full and correct payment of the stamp duty in relation to transfer of the Assets, where applicable.

7. WARRANTIES

- 7.1 The Seller represents and warrants to the Purchaser that:
- (a) it has full power and authority to grant the Option on the terms and conditions of this Agreement;
 - (b) it is, and will remain during the Option Period, the legal and beneficial owner of the Assets, subject only to the Option; and
 - (c) the Assets are free from all and any Encumbrances whatsoever.
- 7.2 The Purchaser represents and warrants to the Seller that he has full power and authority to enter into this Agreement and to perform the obligations specified in this Agreement.

8. ACKNOWLEDGEMENT AND APPROVAL OF CT

- 8.1 CT hereby acknowledges and agrees to the Option being granted by the Seller to the Purchaser in accordance with the terms and conditions set forth in this Agreement;
- 8.2 CT also agrees to provide any documents, information or cooperation necessary or required for the registration of the transfer of the Assets to the Purchaser or the Purchaser's assignee(s), where required.

9. UNDERTAKINGS

- 9.1 Until the Completion of the Option Period, the Company and CT undertake with the Purchaser to the maximum extent allowable by the Cambodian laws and regulations, among other things, the following:
- (a) without the written approval of the Purchaser, not to supplement, change or amend the memorandum and articles of association of the Company, increase or reduce its registered capital or change its structure of registered capital in any other manner;
 - (b) without the written approval of the Purchaser, not to provide or receive loans or provide guarantee except under the new structured documents contemplated under the new VIE structure of the Group;
 - (c) without the written approval of the Purchaser, not to merge or consolidate with, acquire or invest in any entity;
 - (d) without the written approval of the Purchaser, not to distribute dividends or profits to

the shareholders of the Company;

- (e) to take all necessary actions or sign all necessary documents to protect the ownership rights of the Purchaser in all Assets of the Company, where applicable; and
- (f) in the event of liquidation of the Company and to the maximum extent allowable by Cambodian laws, any assets of the Company (after deduction of the liquidation cost, staff salary, tax, social insurance and other statutory compensations) shall be transferred to the Purchaser or its assignee(s) at market value of the assets at the time of the above transfer and such amount will be reimbursed by the shareholders of the Company.

9.2 Each of the Company and CT undertakes to return to the Purchaser any consideration it may have received in the event that the Purchaser exercises such Option to acquire the Assets of the Company.

10. ASSIGNMENT AND SALE

10.1 The Purchaser shall have the rights to assign its rights but not obligations under this Agreement. For avoidance of doubt, the Purchaser has the right to sell the Assets to a third party, provided that such third party buyer submits to the terms and conditions stated under this Agreement in full.

10.2 The Seller shall not have the right to assign its rights or obligations under this Agreement without the prior written consent of the Purchaser.

11. COSTS

Each party shall bear its own legal, accountancy and other costs, charges and expenses connected with the negotiation, preparation and implementation of this Agreement and any other agreement incidental to or referred to in this Agreement. For the avoidance of the doubt, the Seller shall be responsible for all costs and expenses in relation to the transfer of the Assets including without limitation the payment of the applicable stamp duty in relation to the transfer of any of the Assets.

12. NOTICE

12.1 Any notices or communications required or permitted to be given under this Agreement ("**Notices**") shall be made and given in writing to the addresses of the Parties as detailed as follows:

The Company:

Ming Fai Quality Amenities (Cambodia) Co., Ltd.

Contact person: **Mr. Ching Tsz Him Alex**

Address: National Road No. 41 (Ang Duong Road), Veal Vong Village, Sen Dei Commune, Somrourng Tong District, Kampong Speu Province, the Kingdom Cambodia

Email: alex.ching@mingfaigroup.com

The Purchaser:

Ming Fai Holdings Limited

Contact person: **Mr. Ching Tsunwah**

Address: Unit D3, 8/F, TML Tower, No.3 Hoi Shing Road, Tsuen Wan, Hong Kong.

Email: tommy.ching@mingfaigroup.com

CT:

Name: **Mr. Ching Tsunwah**
Address: Unit D3, 8/F, TML Tower, No.3 Hoi Shing Road, Tsuen Wan, Hong Kong.
Email: tommy.ching@mingfaigroup.com

Or to such other addresses which the Parties may change and as from time to time may have been notified to each other.

12.2 Such other addresses which any Party wish to change shall be signed by authorized personnel of that Party in order to be valid.

12.3 All Notices shall be deemed to have been duly given by the Party sending the Notice and received by the Party to which the Notice is given either:

- (a) on the day of delivery, if delivery is by hand addressed to the recipient at its address noted in Clause 12.1;
- (b) at the time of transmission, if transmitted by facsimile or sent by email, provided that it is proved by a facsimile report and, if sent by email, there is no notice of failure of delivery received by the sender. However, if the Notice is sent on a weekend or after 2.00 PM (Hong Kong time) (recipient time based) of a working day, the Notice is considered to be received on the next working day; or
- (c) the day which is 07 (seven) working days after the sender has given the Notice to the courier company, if the Notice is to be delivered to the recipient by a courier.

13. MISCELLANEOUS

13.1 Schedules and Annexures

Each schedule and annexure to this Agreement, if any, shall form an integral part of this Agreement effectively binding the Parties. No amendment, alteration, modification of, or addition to the Agreement will be valid or binding unless expressed in writing and signed by the Parties.

13.2 Entire Agreement

This Agreement constitutes the entire agreement and understanding between the Parties with respect to its subject matter and replaces and supersedes all prior agreements, arrangements, undertakings or statements regarding such subject matter.

13.3 Amendment

No variation of this Agreement shall be effective unless made in writing and signed by all the Parties hereto.

13.4 Severability

Whenever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be unenforceable or invalid under applicable law, such provision shall be ineffective only to the extent of such unenforceability or invalidity, and the remaining provisions of this Agreement shall continue to be binding and in full force and effect.



13.5 Language

This Agreement is made in English in 03 (three) counterparts and all counterparts taken together shall be deemed to constitute one and the same instrument. Each Party shall keep 01 (one) copy.

13.6 Governing Law and Dispute Resolution

- (a) This Agreement shall be governed by and construed pursuant to the laws of the Kingdom of Cambodia.
- (b) If any dispute arises out of, or in connection with, this Agreement, including any question regarding its existence, validity or termination, neither Party shall commence proceedings relating to the dispute and the following dispute resolution provisions shall be complied with:
 - (i) A Party claiming a dispute has arisen will promptly give a written notice to the other Party specifying the nature of the dispute, following which the Parties shall endeavor in good faith to resolve the dispute.
 - (ii) If the Parties do not resolve the dispute within 15 days of receipt of the notice claiming a dispute has arisen (or such further period as mutually agreed in writing by them) then the dispute shall be referred to and finally settled by arbitration in the Kingdom of Cambodia at the National Commercial Arbitration Centre in accordance with the arbitral rules for the time being in force, which include, but not limited to, the fact that the arbitrators may award remedies over the shares or land assets of the Company, injunctive relief (e.g. for the conduct of business or to compel the transfer of assets) or order the winding up of the Company. The rules are deemed to be incorporated by reference in this Clause, provided that any party may seek interim remedies in support of the arbitration pending formation of the arbitral tribunal or in appropriate cases in courts of competent jurisdictions with the power to grant such interim remedies including the courts of Hong Kong, Cayman Islands, British Virgin Islands, and Kingdom of Cambodia.

13.7 Confidentiality

The Parties shall keep the terms and conditions of this Agreement confidential and shall not now or hereafter divulge these terms and conditions to any third person save (i) as otherwise required by law or legal process, The Stock Exchange of Hong Kong Limited or the Securities and Futures Commission of Hong Kong, including to legal and financial advisors in their capacity of advising a Party in such matters or (ii) with the prior written consent of the other Party.

(The signature page follows.)



IN WITNESS WHEREOF, the Seller, the Purchase and CT hereby agree to, acknowledge, and execute the terms and conditions of this Agreement on the date first set out above.

The Seller:

Ming Fai Quality Amenities (Cambodia) Co., Ltd.
Agreed, endorsed and signed
by its authorized representative:
Mr. Ching Tsz Him Alex
in the presence of:

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) 



Name of witness: VITHIEA Oudom

The Purchaser:

Ming Fai Holdings Limited
Signed by its authorized representative:
Mr. Ching Tsunwah
in the presence of:

For and on behalf of
Ming Fai Holdings Limited
明輝控股有限公司

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)
Authorized Signature(s)



Name of witness: CHAU YUN HAN

CT:

Signed by:
Mr. Ching Tsunwah
in the presence of:

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) _____



Name of witness: CHAU YUN HAN