

Dated 21st February 2006

**PANG KAM CHUN**

**in favour of**

**HANG SENG BANK LIMITED**

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**GUARANTEE**

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The logo for Johnson Stokes & Master is a black square containing the company name in white serif font, arranged in three lines: "Johnson", "Stokes", and "& Master".

Johnson  
Stokes  
& Master

WYSW/6800542/7 (PCSW-2927)

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**THIS GUARANTEE** is dated 21st February 2006 and is made

**BY**

- (1) **PANG KAM CHUN (彭錦俊)**, holder of Hong Kong Identity Card Number B389471(7) ("**Guarantor**")

**in favour of**

- (2) **HANG SENG BANK LIMITED**, as security agent for the benefit of each of the Lenders (in such capacity, "**Security Agent**").

**BY WHICH IT IS AGREED** as follows:-

1. **Definitions and Interpretation**

1.1 **Defined Terms**

In this Guarantee, unless the context requires or specifies otherwise:-

"**Borrower**" means **GT Winners Limited**, a company incorporated under the laws of the British Virgin Islands;

this "**Guarantee**" means this irrevocable and unconditional guarantee as originally executed or as it may from time to time be supplemented and/or amended;

"**Guaranteed Moneys**" means the ultimate balance owing by the Borrower under the Loan Agreement;

"**Loan Agreement**" means the loan agreement dated 21st February 2006 and made between (1) the Borrower as borrower, (2) Hang Seng Bank Limited and Tai Fook Securities Company Limited as lenders, (3) Hang Seng Bank Limited as agent for the Lenders and (4) the Security Agent, relating to a HK\$320 million loan facility to be made available to the Borrower by the Lenders under the terms and conditions thereof, and guaranteed by the Guarantor; and

"**Warranties**" means the representations and warranties in Clause 6 or contained in a notice.

1.2 **Construction of References**

In this Guarantee, unless the context requires or specifies otherwise, any reference:-

- (a) to a Clause is a reference to the Clause of this Guarantee;

- (b) to this Guarantee, any other document or any provision of this Guarantee or that document is a reference to this Guarantee, that document or that provision as in force for the time being and as from time to time amended in accordance with the terms of this Guarantee or that document, or, as the case may be, with the agreement of the relevant parties and (where such consent is, by the terms of this Guarantee or that document, required to be obtained as a condition to such amendment being permitted) the prior written consent of the Security Agent;
- (c) to a person includes an individual, a body corporate, a partnership, any other unincorporated body or association of persons and any state or state agency and also includes the successors of that person;
- (d) to a time of day is a reference to the time in Hong Kong;
- (e) to an enactment includes that enactment as it may be amended, replaced or re-enacted and any subordinate legislation made under it;
- (f) to an “**agreement**” includes any document, instrument or deed, an arrangement and any other kind of commitment;
- (g) to “**assets**” includes present and future properties, undertakings, revenue and rights of every description;
- (h) to an “**authorisation**” includes a licence, filing, registration, exemption and notarisation;
- (i) to a “**guarantee**” includes an indemnity, an obligation to purchase assets or services as a result of a default by any other person to pay any Indebtedness and any other kind of assurance against financial loss, and “**guaranteed**” will be construed accordingly;
- (j) to a “**regulation**” includes any regulation, rule, official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
- (k) to a “**right**” includes a power, a remedy and a discretion; and
- (l) references to the Security Agent, the Lenders and the Finance Parties include references to their respective successors in title, assigns and transferees.

### 1.3 Interpretation

In this Guarantee, unless the context requires or specifies otherwise:-

- (a) words importing the plural include the singular and vice versa;
- (b) words importing a gender include every gender;
- (c) the words “**other**”, “**including**” and “**in particular**” do not limit the generality of any preceding words and are not to be construed as being limited to the same class as the preceding words where a wider construction is possible;
- (d) an obligation not to do something will also be treated as an obligation not to permit it to be done; and
- (e) words and expressions defined in the Loan Agreement shall have the same meaning when used in this Guarantee.

### 1.4 Headings and Contents

The headings and the table of contents in this Guarantee do not affect its interpretation.

## 2. Guarantee

### 2.1 Performance Guarantee

The Guarantor guarantees to each Finance Party the performance of the Borrower’s obligations in accordance with the Loan Agreement.

### 2.2 Payment Guarantee

The Guarantor guarantees to pay, on the Security Agent’s demand, any sum which the Borrower fails to pay in accordance with the Loan Agreement.

### 2.3 Interest

To the extent that it is not paid by the Borrower, default interest on the Guaranteed Moneys will be calculated and paid by the Guarantor, in accordance with clause 6 of the Loan Agreement, from the date of the Security Agent’s demand to the date of payment (both before and after any judgment).

### 2.4 Security Agent’s Certificate

An Security Agent’s certificate as to an amount payable will, in the absence of manifest error, be conclusive and binding on the Guarantor.

2.5 Continuing and Additional Guarantee

This Guarantee is a continuing guarantee which secures the whole of the Guaranteed Moneys. This Guarantee is in addition to, shall not be affected by nor merge with and may be enforced despite the existence, invalidity or unenforceability of, any other guarantee or Encumbrance now or at any time after the date of this Guarantee held by or being available to a Finance Party. This Guarantee may be enforced without prior recourse to any such guarantee or Encumbrance and without any demand being made upon or proceedings being taken against the Borrower or any other person.

2.6 Application of Receipts

Each Finance Party may apply any moneys it receives from the Guarantor in or towards satisfaction of the Guaranteed Moneys and/or hold them in a suspense account with a view to preserving its rights to prove for the whole of the Guaranteed Moneys.

2.7 Reinstatement

If any moneys paid by the Guarantor must be repaid because of a law or regulation relating to insolvency, bankruptcy or liquidation or for any other reason, the Finance Parties will be entitled to enforce this Guarantee as if those moneys had not been paid.

2.8 Liability Unaffected

A Finance Party may from time to time as it thinks fit without the consent or knowledge of the Guarantor and without discharging, diminishing or otherwise affecting the liability of the Guarantor under this Guarantee, enter into any agreement (whether to renew, vary, modify, consolidate, increase or terminate any credit or facilities to the Borrower or any other person or otherwise), settlement, compromise, waiver, discharge, release or variation with the Borrower or any other person, and grant to the Borrower or any other person any time or other indulgence, relief or concession. The Guarantor's liability under this Guarantee will not be discharged, diminished or otherwise affected by any other act, omission or circumstance (whether or not known to a Finance Party or the Guarantor) which, but for this provision, would discharge the Guarantor to any extent, including the insolvency, dissolution, death, insanity, amalgamation, reorganisation, change in constitution, incapacity or disability of the Borrower, the Guarantor, a Finance Party or any other person, or any legal limitation or want of any borrowing powers of or by the Borrower or want of authority of any director or other person appearing to be acting for the Borrower in any matter in respect of the Guaranteed Moneys.

2.9 Guarantor as Principal Debtor and Indemnity

Any Guaranteed Moneys which are not recoverable from the Borrower for any reason will, nevertheless, be recoverable from the Guarantor as principal debtor, by way of indemnity, on the Security Agent's demand.

2.10 Waiver of Guarantor's Rights

Until all the Guaranteed Moneys have been paid, the Guarantor will not exercise any rights of subrogation, contribution, indemnity, set-off or counterclaim against the Borrower or any rights to participate in any other guarantee or Encumbrance of a Finance Party in respect of the Guaranteed Moneys or, unless required by the Security Agent to do so, prove in the bankruptcy or liquidation of the Borrower so that, if the Guarantor receives any moneys as a result of the exercise of any of those rights, it will hold them on trust for the Finance Parties and pay them immediately to the Security Agent.

2.11 No Security taken by Guarantor

The Guarantor has not taken and will not take from the Borrower or any other person any Encumbrance for the Guaranteed Moneys and, if it does so, the Encumbrance and any proceeds from that Encumbrance will be held on trust for the Finance Parties and delivered immediately to the Security Agent.

2.12 Borrower's Accounts

If this Guarantee ceases to be a continuing guarantee, any Finance Party may continue any existing account and open any new account in the Borrower's name and no subsequent transactions, receipts or payments involving those new accounts will affect the Guarantor's liability under this Guarantee.

2.13 Release

The Guarantor will not be entitled to a release from this Guarantee until 7 months after all the Guaranteed Moneys have been irrevocably paid. After the expiry of the said 7-month period and provided that no Guaranteed Moneys is, or is declared to be, set aside or avoided without that 7-month period, then this Guarantee will be automatically returned by the Security Agent to the Guarantor.

3. Expenses and Duties

3.1 Expenses

The Guarantor will pay to the Security Agent, on demand, all the expenses of the Finance Parties (including legal and out-of-pocket expenses) incurred:-

- (a) in connection with this Guarantee's negotiation, preparation, and execution and any amendment to or waiver or consent under this Guarantee; and/or
- (b) in contemplation of, or in connection with, the preservation or enforcement of any rights under this Guarantee.

### 3.2 Documentary Duties and Taxes

The Guarantor will pay all documentary, stamp, registration and other duties or similar Taxes, including any payable by a Finance Party, which are imposed on or in connection with this Guarantee.

## 4. Payments

### 4.1 No Set-off or Deductions

The Guarantor's payments will be made in full, without set-off or counterclaim, and, except for those it must make for Taxes, free and clear of deductions or withholdings, on the due date to the Security Agent's specified bank account.

### 4.2 Distributions to Lenders

Except where this Guarantee provides to the contrary, the Guarantor's payments will be for the Lenders' account. As soon as practicable after receipt, the Security Agent will distribute the payments it receives, in the same funds, to the Lenders, rateably in accordance with their participations in the Loan, as the case may be, to their specified bank accounts.

### 4.3 Partial Payments

If the Security Agent receives an amount which is less than the amount due to be paid by the Guarantor, the Security Agent will apply the amount received, despite any purported appropriation of that amount by the Guarantor, in or towards payment of the moneys owing in such order as specified in clause 11.6 of the Loan Agreement or in such other order as all the Lenders direct.

## 5. Taxes

### 5.1 Grossing-up for Taxes

If the Guarantor must make a deduction or withholding for Taxes from a payment due under this Guarantee or if the Security Agent must make such a deduction or withholding from a payment to a Finance Party, the sum due from the Guarantor in respect of that payment will be increased to the extent necessary to ensure that, after the deduction or withholding, each Finance Party



receives on the due date and retains, free from any liability in respect of that deduction or withholding, a net sum equal to the sum it would have received if there had been no deduction or withholding. The Guarantor will promptly deliver to the Security Agent the documentary evidence of any deduction or withholding it makes for Taxes.

## 5.2 Tax Credits

If the Guarantor pays an increased sum in accordance with Clause 5.1 and, subsequently, a Finance Party receives a tax credit or allowance, solely and directly by reference to that increased sum, that Finance Party will pay to the Guarantor, as soon as practicable, such sum as it certifies will leave it, after the payment, in no worse a position than it would have been in if there had been no deduction or withholding for Taxes. However, no payment will be required from a Finance Party under this Clause 5.2 if it would prejudice its right to retain the tax credit or allowance it has received or to obtain any other tax credit or allowance.

## 5.3 Tax Affairs of Finance Parties

Each Finance Party has the right to decide in which order and manner it claims and uses tax credits and allowances and arranges its tax affairs and is not obliged to disclose to the Guarantor or any other person any information regarding its tax affairs and computations.

## 6. Representations and Warranties

### 6.1 Warranties

The Guarantor represents and warrants to the Security Agent as follows:-

- (a) Power: he has the power to enter into and perform this Guarantee and no limitation on his powers will be exceeded by doing so;
- (b) Binding Effect : this Guarantee constitutes his legal, valid and binding obligations, enforceable in accordance with its terms;
- (c) No Contravention of Other Obligations : neither his entry into nor his performance of this Guarantee:-
  - (i) contravenes any law or regulation or any judgment or order,
  - (ii) is a breach of or default under any agreement to which he is a party or which affects any of his assets, or
  - (iii) results in an Encumbrance over any of his assets being created or becoming enforceable;

- (d) Pari Passu : his obligations under this Guarantee rank at least pari passu with all his other unsecured and unsubordinated Indebtedness with the exception of any obligations which are mandatorily preferred by law and not by contract;
- (e) Authorisations : all authorisations (if any) required in connection with his entry into and performance of this Guarantee and to ensure his legality, validity, binding effect and enforceability have been obtained or effected and are in full force and effect and no conditions imposed in connection with such authorisations have been breached;
- (f) Ownership of Borrower : the Guarantor is the sole legal and beneficial shareholder of the Borrower; and
- (g) No Litigation : no dispute, litigation, arbitration or other proceeding is taking place, pending or, to his knowledge, threatened against him which could have a material adverse effect on his business or assets.

## 6.2 Repetition

The Warranties will be deemed to be repeated by the Guarantor every day with reference to the facts and circumstances then existing until all the Guaranteed Moneys have been discharged and repaid.

## 7. Undertakings

### 7.1 Undertakings

The Guarantor undertakes that, while a Commitment remains outstanding or any Guaranteed Moneys are owing:-

- (a) Notice of Default : he will notify the Security Agent immediately if it becomes aware of a Default or an occurrence which might adversely affect his ability to perform all or any of its obligations under any Financing Document;
- (b) Authorisations : he will obtain, effect and keep in full force and effect all authorisations required in connection with his entry into and performance of this Guarantee and shall comply with all conditions (if any) imposed in connection with such authorisations and will ensure its legality, validity, binding effect and enforceability;
- (c) Provision of Further Information : he will provide the Security Agent with such financial and other information concerning himself and his assets as the Security Agent, on behalf of any Lender, may reasonably request; and

- (d) Compliance : he will comply with all laws, regulations, agreements and authorisations applicable to him or his assets.

## 8. Indemnities

### 8.1 General Indemnities

The Guarantor will indemnify each Finance Party, on the Security Agent's demand, against any loss or liability which any Finance Party may incur as a result of:-

- (a) the Borrower's failure to comply with any of the Borrower's obligations or undertakings in any Financing Document to which the Borrower is a party;
- (b) the Guarantor's failure to comply with any of his obligations or undertakings in any Financing Document to which the Guarantor is a party; and
- (c) the Guarantor's failure to make or delay in making a deduction or withholding for Taxes which he must make from any payment due under any Financing Document to which the Guarantor is a party.

### 8.2 Currency Indemnity

If the currency of a sum due from the Guarantor under a Financing Document to which the Guarantor is a party (the "**contractual currency**") or a sum due from the Guarantor under any judgment or order relating to a Financing Document to which the Guarantor is a party in the contractual currency is converted from the contractual currency into another currency for the purpose of (a) making or filing a claim or proof; (b) obtaining a judgment or order; or (c) enforcing a judgment or order, the Guarantor will indemnify each Finance Party, on the Security Agent's demand, against any loss or liability incurred as a result of any difference between (i) the rate of exchange used to convert the sum in question from the contractual currency into the other currency and (ii) the rate or rates of exchange at which that Finance Party, in the ordinary course of business, can purchase the contractual currency with the other currency on receipt of a sum paid to it in full or part satisfaction of that claim, proof, judgment or order. Any amount due from the Guarantor under this Clause 8.2 will be a separate and independent debt and will not be affected by judgment being obtained for any other sum due under or in respect of this Guarantee or any other Financing Documents. The term "**rate of exchange**" in this Clause 8.2 includes any premium and exchange costs payable in connection with the purchase of the contractual currency with the other currency.

9. **Set-off and Pro Rata Payments**

The Guarantor authorises each Finance Party, at any time and without notice, to apply any credit balance of the Guarantor on any account with that Finance Party at any of its branches in or towards satisfaction of any sum then due and payable by the Guarantor to that Finance Party under this Guarantee and each Finance Party is authorised to purchase, with that credit balance, any other currency or currencies as may be necessary for that purpose. No Finance Party is obliged to exercise any right given to it by this Clause 9 but, if it does so, it will notify the Security Agent promptly and the Security Agent will notify all the Lenders promptly. The Guarantor accepts the provisions of clause 23 of the Loan Agreement relating to pro rata payments.

10. **Assignment and Transfer**

10.1 **Successors and Permitted Assignees**

This Guarantee shall be binding upon and enure to the benefit of each party to this Guarantee and its successors in title and permitted assigns. For the avoidance of doubt, the expression “Guarantor” used in this Guarantee includes the Guarantor’s personal representatives and his estate.

10.2 **No Assignment or Transfer by Guarantor**

The Guarantor may not assign or transfer any of his rights or obligations under this Guarantee.

10.3 **Assignment of Lenders’ Rights**

If a Lender assigns all or any of its rights in respect of its participations in the Loan to another person (an “**Assignee**”) or transfers, by way of novation, all or any of its obligations and rights under the Loan Agreement to another person (a “**Substitute**”), that Lender, and/or its Assignee or Substitute shall be entitled to the benefit of this Guarantee, to the extent of their respective interests. The Guarantor hereby authorises the Security Agent to execute the Novation Certificate on his behalf in accordance with clause 25 of the Loan Agreement.

10.4 **Disclosure of Information**

Any Finance Party may disclose to a prospective Assignee, Substitute or participant such information about the Guarantor as it considers appropriate.

11. **Remedies Cumulative**

The rights of the parties under this Guarantee are cumulative and do not exclude or restrict any other rights.

12. **Time**

Time is of the essence of this Guarantee as regards any time, date or period specified for the performance of an obligation.

13. **Severance**

If any provision of this Guarantee is not or ceases to be legal, valid, binding and enforceable under the law of any jurisdiction, neither the legality, validity, binding effect or enforceability of the remaining provisions under that law nor the legality, validity, binding effect or enforceability of that provision under the law of any other jurisdiction will be affected.

14. **Amendments and Waivers**

14.1 **In Writing**

No amendment to or waiver under this Guarantee will be effective unless in writing, executed by the Guarantor and by the Security Agent.

14.2 **Security Agent's Consent**

The Security Agent is authorised, on behalf of the Finance Parties, to agree to any amendment to this Guarantee and to waive performance by the Guarantor of any of its obligations under this Guarantee in accordance with clause 32 of the Loan Agreement.

14.3 **Preservation of Rights**

A failure or delay by a Finance Party to exercise any right under this Guarantee will not operate as a waiver of that right (unless it is a waiver which complies with Clauses 14.2) or of any other right nor will any single or partial exercise of any such right preclude any other or further exercise of that right or the exercise of any other right.

15. **Counterparts**

This Guarantee may be executed in any number of counterparts and by different parties on separate counterparts, each of which is an original but, together, they constitute one and the same agreement.

16. **Notices**

16.1 **In Writing and Methods of Delivery**

Every notice or communication under this Guarantee must be in writing and a notice or communication, without prejudice to any other form of delivery, may be delivered personally or sent by post or transmitted by fax.

16.2 **Notices through Security Agent**

Each notice and communication from the Guarantor must be given to the Security Agent for forwarding and each notice and communication from a Finance Party must be given to the Security Agent for forwarding.

16.3 **English Translations**

All notices and communication must be in the English language or accompanied by a certified English translation on which the Finance Parties are entitled to rely.

16.4 **Authorised Addresses and Numbers**

(a) In the case of posting, the envelope containing the notice or communication must be addressed to the intended recipient at the authorised address of that party and must be properly stamped or have the proper postage prepaid for delivery by the most expeditious service available (which will be airmail if that service is available) and, in the case of a fax, the transmission must be sent to the intended recipient at the authorised number of that party.

(b) For the purpose of Clause 16, subject to Clause 16.5, the authorised addresses and fax numbers of the Guarantor and the Security Agent are as follows:-

**Pang Kam Chun**

Address: 26th Floor  
Yue Hing Building  
103 Hennessy Road  
Wanchai, Hong Kong

Fax: (852) 2529 1081

**Hang Seng Bank Limited**

Address: Level 11,  
83 Des Voeux Road Central,

Hong Kong

Fax: (852) 2598 6235

For the attention of: Mr. Henry Fok/Ms. Maggie Hon

16.5 Notification of Changes

No change in any of the particulars set out in Clause 16.4(b) will be effective against a party until it has been notified to that party.

16.6 Deemed Giving of Notice and Receipt

Receipt of a notice or communication by the Security Agent must be actual receipt but, in other cases, a notice will be deemed to have been duly given and received:-

- (a) on personal delivery to the addressee or, as the case may be, any director or the secretary of an addressee or on a business day to a place for the receipt of letters at that addressee's authorised address;
- (b) in the case of posting, where the addressee's authorised address is in the same country as the country of posting, at 10 a.m. (local time in that country) on the second business day after the day of posting;
- (c) in the case of posting, where the addressee's authorised address is not in the same country as the country of posting, at 10 a.m. (local time in the country where that address is located) on the fifth business day after the day of posting; and
- (d) in the case of a fax, on issue to the sender of an O.K. result confirmation report or, if the day of issue is not a business day, at 10 a.m. (local time where the authorised fax number of the intended recipient is located) on the next business day.

16.7 Business Days

For the purpose of Clause 16.6, a "**business day**" means a day which is not a Saturday or a Sunday or a public holiday in the country of posting or transmission or in the country where the authorised address or fax number of the intended recipient is located and, where a notice or communication is posted, which is not a day when there is a disruption of postal services in either country which prevents collection or delivery.

17. **Law and Jurisdiction**

17.1 **Governing Law**

This Guarantee is governed by and will be construed in accordance with Hong Kong law.

17.2 **Hong Kong Jurisdiction**

The parties submit to the non-exclusive jurisdiction of the Hong Kong courts and each party waives any objection to proceedings in Hong Kong on the grounds of venue or inconvenient forum.

17.3 **Waiver of Sovereign Immunity**

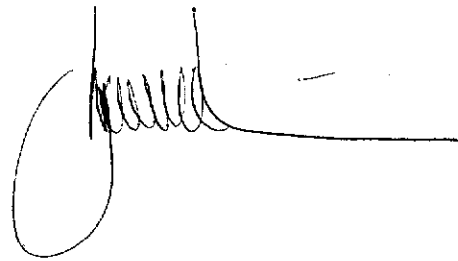
To the extent that the Guarantor may, in any jurisdiction, be entitled to claim for himself or his assets immunity from suit, execution, attachment (whether in aid of execution, before judgement or otherwise) or other legal process and to the extent that in any such jurisdiction there may be attributed to himself or his assets such immunity (whether or not claimed), the Guarantor irrevocably agrees not to claim and irrevocably waives such immunity to the full extent permitted by the laws of such jurisdiction.



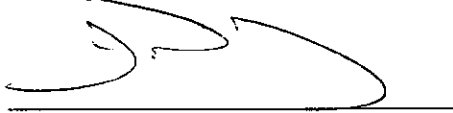
**EXECUTED** as a deed under seal by the Guarantor

**The Guarantor**

SIGNED SEALED and DELIVERED by )  
)  
**PANG KAM CHUN** (who having been )  
)  
identified by production of his Hong Kong )  
)  
Identity Card Number B389471(7))



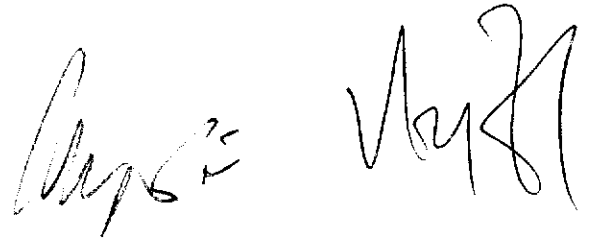
Witnessed by:-



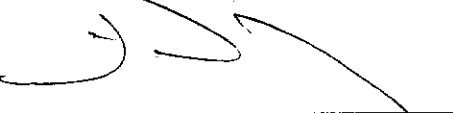
Name: **Wong Yiu Sun**  
Title: **Johnson Stokes & Master**  
**Solicitor, Hong Kong SAR**

**The Security Agent**

For and on behalf of )  
)  
**HANG SENG BANK LIMITED** )  
)  
by **Y T Ng** )  
)  
**Henry Fok** )



Witnessed/Verified by:-



Name: **Wong Yiu Sun**  
Title: **Johnson Stokes & Master**  
**Solicitor, Hong Kong SAR**