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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**SCHEDULE 13D/A**

Under the Securities Exchange Act of 1934  
(Amendment No. 1)

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**LightInTheBox Holding Co., Ltd.**  
(Name of Issuer)

Ordinary shares, par value US\$0.000067 per share  
American Depositary Shares, each representing two ordinary shares  
(Title of Class of Securities)

53225G102(1)  
(CUSIP Number)

**ZHEJIANG AOKANG SHOES CO., LTD.**  
Aokang Industrial Park, Dongou Industrial District  
Oubei Town, Yongjia County, Zhejiang Province  
People's Republic of China  
+86 577-67915188  
(Name, Address and Telephone Number of Person Authorized to Receive Notices and Communications)

July 22, 2015  
(Date of Event which Requires Filing of this Statement)

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If the filing person has previously filed a statement on Schedule 13G to report the acquisition that is the subject of this Schedule 13D, and is filing this schedule because of §§240.13d-1(e), 240.13d-1(f) or 240.13d-1(g), check the following box .

\* The remainder of this cover page shall be filled out for a reporting person's initial filing on this form with respect to the subject class of securities, and for any subsequent amendment containing information which would alter disclosures provided in a prior cover page.

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*Note.* Schedules filed in paper format shall include a signed original and five copies of the schedule, including all exhibits. See §240.13d-7 for other parties to whom copies are to be sent.

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(1) This CUSIP number applies to the Issuer's American Depositary Shares, each representing two ordinary shares.

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1	NAME OF REPORTING PERSON <b>AOGANG INTERNATIONAL (HONG KONG) CORPORATION LIMITED</b> I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS* <b>AF, BK</b>	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/> <b>N/A</b>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION <b>Hong Kong</b>	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER <b>24,553,810 ordinary shares(2)</b>
	8	SHARED VOTING POWER <b>0</b>
	9	SOLE DISPOSITIVE POWER <b>24,553,810 ordinary shares(2)</b>
	10	SHARED DISPOSITIVE POWER <b>0</b>
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON <b>24,553,810 ordinary shares(2)</b>	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) <b>25.66%(3)</b>	
14	TYPE OF INVESTOR (see instructions) <b>CO</b>	

(2) Includes 4,293,728 ordinary shares represented by 2,146,864 American Depositary Shares (each American Depositary Shares representing two ordinary shares).

(3) Percentage ownership reported based on 95,712,573 ordinary shares of the Issuer outstanding as of April 10, 2015, as reported by the Issuer in its Annual Report on Form 20-F filed with the Securities and Exchange Commission on April 17, 2015.

1	NAME OF REPORTING PERSON <b>ZHEJIANG AOKANG SHOES CO., LTD.</b> I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS* <b>WC</b>	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/> <b>N/A</b>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION <b>People's Republic of China</b>	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER <b>24,553,810 ordinary shares(2)</b>
	8	SHARED VOTING POWER <b>0</b>
	9	SOLE DISPOSITIVE POWER <b>24,553,810 ordinary shares(2)</b>
	10	SHARED DISPOSITIVE POWER <b>0</b>
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON <b>24,553,810 ordinary shares(2)</b>	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) <b>25.66%(3)</b>	
14	TYPE OF INVESTOR (see instructions) <b>CO</b>	

(2) Includes 4,293,728 ordinary shares represented by 2,146,864 American Depositary Shares (each American Depositary Shares representing two ordinary shares).

(3) Percentage ownership reported based on 95,712,573 ordinary shares of the Issuer outstanding as of April 10, 2015, as reported by the Issuer in its Annual Report on Form 20-F filed with the Securities and Exchange Commission on April 17, 2015.

1	NAME OF REPORTING PERSON <b>ZHENTAO WANG</b> I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS* <b>AF</b>	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/> <b>N/A</b>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION <b>People's Republic of China</b>	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER <b>24,553,810 ordinary shares(2)</b>
	8	SHARED VOTING POWER <b>0</b>
	9	SOLE DISPOSITIVE POWER <b>24,553,810 ordinary shares(2)</b>
	10	SHARED DISPOSITIVE POWER <b>0</b>
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON <b>24,553,810 ordinary shares(2)</b>	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) <b>25.66%(3)</b>	
14	TYPE OF INVESTOR (see instructions) <b>IN</b>	

(2) Includes 4,293,728 ordinary shares represented by 2,146,864 American Depositary Shares (each American Depositary Shares representing two ordinary shares).

(3) Percentage ownership reported based on 95,712,573 ordinary shares of the Issuer outstanding as of April 10, 2015, as reported by the Issuer in its Annual Report on Form 20-F filed with the Securities and Exchange Commission on April 17, 2015.

1	NAME OF REPORTING PERSON <b>AOKANG INVESTMENT HOLDINGS CO., LTD.</b> I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS* <b>AF</b>	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/> <b>N/A</b>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION <b>People's Republic of China</b>	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER <b>24,553,810 ordinary shares(2)</b>
	8	SHARED VOTING POWER <b>0</b>
	9	SOLE DISPOSITIVE POWER <b>24,553,810 ordinary shares(2)</b>
	10	SHARED DISPOSITIVE POWER <b>0</b>
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON <b>24,553,810 ordinary shares(2)</b>	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) <b>25.66%(3)</b>	
14	TYPE OF INVESTOR (see instructions) <b>CO</b>	

(2) Includes 4,293,728 ordinary shares represented by 2,146,864 American Depositary Shares (each American Depositary Shares representing two ordinary shares).

(3) Percentage ownership reported based on 95,712,573 ordinary shares of the Issuer outstanding as of April 10, 2015, as reported by the Issuer in its Annual Report on Form 20-F filed with the Securities and Exchange Commission on April 17, 2015.

1	NAME OF REPORTING PERSON <b>JINQUAN WANG</b> I.R.S. IDENTIFICATION NOS. OF ABOVE PERSONS (ENTITIES ONLY)	
2	CHECK THE APPROPRIATE BOX IF A MEMBER OF A GROUP* (a) <input type="checkbox"/> (b) <input checked="" type="checkbox"/>	
3	SEC USE ONLY	
4	SOURCE OF FUNDS* <b>AF</b>	
5	CHECK BOX IF DISCLOSURE OF LEGAL PROCEEDINGS IS REQUIRED PURSUANT TO ITEM 2(d) or 2(e) <input type="checkbox"/> <b>N/A</b>	
6	CITIZENSHIP OR PLACE OF ORGANIZATION <b>People's Republic of China</b>	
NUMBER OF SHARES BENEFICIALLY OWNED BY EACH REPORTING PERSON WITH	7	SOLE VOTING POWER <b>24,553,810 ordinary shares(2)</b>
	8	SHARED VOTING POWER <b>0</b>
	9	SOLE DISPOSITIVE POWER <b>24,553,810 ordinary shares(2)</b>
	10	SHARED DISPOSITIVE POWER <b>0</b>
11	AGGREGATE AMOUNT BENEFICIALLY OWNED BY EACH REPORTING PERSON <b>24,553,810 ordinary shares(2)</b>	
12	CHECK IF THE AGGREGATE AMOUNT IN ROW (11) EXCLUDES CERTAIN SHARES (see instructions) <input type="checkbox"/>	
13	PERCENT OF CLASS REPRESENTED BY AMOUNT IN ROW (11) <b>25.66%(3)</b>	
14	TYPE OF INVESTOR (see instructions) <b>IN</b>	

(2) Includes 4,293,728 ordinary shares represented by 2,146,864 American Depositary Shares (each American Depositary Shares representing two ordinary shares).

(3) Percentage ownership reported based on 95,712,573 ordinary shares of the Issuer outstanding as of April 10, 2015, as reported by the Issuer in its Annual Report on Form 20-F filed with the Securities and Exchange Commission on April 17, 2015.

**Item 1. Security and Issuer.**

This amendment No. 1 to Schedule 13D (this "Amendment No. 1") amends and supplements the statement on Schedule 13D filed with the Securities and Exchange Commission on June 19, 2015 (the "Original Schedule 13D," together with the Amendment No. 1, the "Statement"), which relates to the ordinary shares, par value \$0.000067 per share (the "Shares") and American Depositary Shares ("ADSs"), each representing two Share, of LightInTheBox Holding Co., Ltd. (the "Issuer"). The principal executive office of the Issuer is located at Tower 2, Area D, Diantong Square, No. 7 Jiuxianqiao North Road, Chaoyang District, Beijing 100015, People's Republic of China.

The ADSs are listed on the New York Stock Exchange under the symbol "LITB".

Except as provided herein, this Amendment No. 1 does not modify any of the information previously reported on the Original Schedule 13D.

**Item 2. Identity and Background.**

This Amendment No. 1 is being filed by the following:

- a. AOGANG International (Hong Kong) Corporation Limited ("AOGANG International"), a limited liability company incorporated under the laws of Hong Kong, which is directly and wholly owned by ZheJiang AoKang Shoes Co., Ltd. ("AoKang Shoes");
- b. AoKang Shoes, a company incorporated under the laws of the People's Republic of China (the "PRC");
- c. Mr. Zhentao Wang ("Mr. Zhentao Wang"), a PRC citizen, the chairman of the board and controlling person of AoKang Shoes, and the sole director of AOGANG International;
- d. AoKang Investment Holdings Co., Ltd. ("AoKang Investment"), a company incorporated under PRC law, of which 90% shares are held by Mr. Zhentao Wang and 10% shares are held by Mr. Chen Wang (Mr. Zhentao Wang's son); and
- e. Mr. Jinquan Wang ("Mr. Jinquan Wang"), a PRC citizen and the president and a director of AoKang Shoes.

Each of the foregoing is referred to as a "Reporting Person" and collectively as the "Reporting Persons."

AOGANG International primarily engages in the business of electronic commerce, trade in general merchandise, equity investment and investment management. As of the date of this Amendment No. 1, AOGANG International is directly and wholly owned by AoKang Shoes. The address of the registered office of AOGANG International is RM.19C, Lockhart CTR., 301-307 Lockhart RD, Wan Chai, Hong Kong.

AoKang Shoes primarily engages in the design, development, manufacturing, distribution and sales of leather shoes and other leather products. The shares of AoKang Shoes are listed on the Shanghai Stock Exchange under the stock code "603001". As of the date of this Amendment No. 1, of the total outstanding shares of AoKang Shoes: (i) AoKang Investment holds 32.73%, (ii) Mr. Zhentao Wang holds 14.93%, (iii) Mr. Chen Wang (son of Mr. Zhentao Wang) holds 9.98%, (iv) Mr. Jinquan Wang (brother of Mr. Zhentao Wang) holds 4.98%, (v) Mr. Yanshu Miao (uncle of Mr. Zhentao Wang) holds 4.49%, and (vi) Mr. Changzhong Pan (brother-in-law of Mr. Zhentao Wang) holds 4.19%. Mr. Yanshu Miao and Mr. Changzhong Pan have disclaimed being persons acting in concert with Mr. Zhentao Wang. The address of the principal office of AoKang Shoes is Aokang Industrial Park, Dongou Industrial District, Oubei Town, Yongjia County, Zhejiang Province, People's Republic of China.

Mr. Zhentao Wang is a PRC citizen, the chairman of the board and controlling person of AoKang Shoes, and the sole director of AOGANG International. He directly holds 14.93% of the total outstanding shares of AoKang Shoes and holds additional 32.73% of the total outstanding shares of AoKang Shoes through AoKang Investment. The business address of Mr. Zhentao Wang is Aokang Industrial Park, Dongou Industrial District, Oubei Town, Yongjia County, Zhejiang Province, People's Republic of China.

AoKang Investment primarily engages in the business of making, holding and managing investments. Mr. Zhentao Wang and Mr. Chen Wang (son of Mr. Zhentao Wang) directly holds 90% and 10%, respectively, of the total outstanding shares of AoKang Investment, which in turn directly holds 32.73% of the total outstanding shares of AoKang Shoes as of the date of this Amendment No. 1. The address of the principal office of AoKang Investment is Room 3E-1121, 2123 Pudong Avenue, Pudong New District, Shanghai, People's Republic of China.

Mr. Jinquan Wang is a PRC citizen and brother of Mr. Zhentao Wang. He is currently the president and a director of AoKang Shoes. He directly holds 4.98% of the total outstanding shares of AoKang Shoes as of the date of this Amendment No. 1. The business address of Mr. Jinquan Wang is Aokang Industrial Park, Dongou Industrial District, Oubei Town, Yongjia County, Zhejiang Province, People's Republic of China.

The name, business address, present principal occupation or employment and citizenship of each of the executive officers and directors of each of AOGANG International, AoKang Shoes and AoKang Investment are set forth on Schedule A hereto and are incorporated herein by reference.

During the last five years, none of the Reporting Persons and, to the best of their knowledge, any of the persons listed on Schedule A attached hereto has been: (i) convicted in a criminal proceeding (excluding traffic violations or similar misdemeanors) or (ii) a party to a civil proceeding of a judicial or administrative body of competent jurisdiction and as a result of such proceeding was or is subject to a judgment, decree or final order enjoining future violations of, or prohibiting or mandating activities subject to, federal or state securities laws or finding any violation with respect to such laws.

The Reporting Persons entered into a Joint Filing Agreement on July 31, 2015 (the "Joint Filing Agreement"), pursuant to which they have agreed to file this Amendment No. 1 jointly in accordance with the provisions of Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended (the "Securities Exchange Act"). A copy of the Joint Filing Agreement is attached hereto as Exhibit 99.1.

### **Item 3. Source and Amount of Funds or Other Consideration.**

Item 3 of the Original Schedule 13D is hereby amended and supplemented as follows:

On June 9, 2015, AoKang Shoes entered into a share purchase agreement (the "Share Purchase Agreement") with GSR Ventures III, L.P., a Cayman Islands limited partnership ("GSR Ventures"), Ceyuan Ventures II, L.P., a Cayman Islands limited partnership, and Ceyuan Ventures Advisors Fund II, LLC, a Cayman Islands limited liability company (collectively, the "Ceyuan Entities"), Mr. Alan Quji Guo, a PRC national ("Mr. Guo"), Mr. Liang Zhang, a PRC national ("Mr. Zhang") and Mr. Xin (Kevin) Wen, a PRC national ("Mr. Wen"), together with Mr. Guo and Mr. Zhang, the "Founder Shareholders"), and Wincore Holdings Limited, Clinet Investments Limited and Vitz Holdings Limited, each a British Virgin Islands company and wholly owned by Mr. Guo, Mr. Zhang and Mr. Wen, respectively (collectively, the "Founder SPVs"). Pursuant to the Share Purchase Agreement, AoKang Shoes agreed to purchase, by itself or through any person designated by it, from GSR Ventures, Ceyuan Entities and the Founder SPVs (collectively, the "Sellers") an aggregate of 20,260,082 Shares at a price of \$3.15 per Share and 2,146,864 ADSs (representing 4,293,728 Shares) at a price of \$6.30 per ADS (together, the "Acquired Shares") for an aggregate consideration of \$77,344,501.50 (the "Share Purchase"). The number and type of Acquired Shares sold by each of the Sellers are set forth on Schedule B hereto.

On July 7, 2015, AoKang Shoes formed, in Hong Kong, a wholly owned subsidiary, AOGANG International, which was designated by AoKang Shoes to acquire the Acquired Shares from the Sellers.

On July 22, 2015 (the "Closing Date"), the Share Purchase was completed. The Acquired Shares were transferred by the Sellers to AOGANG International for cash consideration of \$77,344,501.50. The Share Purchase was financed by a combination of the working capital of AoKang Shoes and the proceeds of two loans drawn down by AOGANG International pursuant to a facility letter dated July 15, 2015 (the "Facility Letter") with a credit limit of US\$60,000,000 issued by Agricultural Bank of China Limited, Hong Kong Branch. The first loan, in a principal amount of US\$28,700,000, will mature on June 29, 2018. The second loan, in a principal amount of US\$27,300,000, will mature on July 19, 2018. The interest on the loans accrues at a rate equal to the Hong Kong Interbank Offered Rate, the London Interbank Offered Rate or the lender's cost of funds to be fixed at its sole discretion plus 1.6% per annum, and is payable on a quarterly basis. Each of the loans is secured by a letter of guarantee (together, the "Letters of Guarantee") issued by Agricultural Bank of China Limited, Yongjia Branch in the PRC to Agricultural Bank of China Limited, Hong Kong Branch based on the Agreements Regarding the Issue of Foreign Related Letter of Guarantee/Standby Letter of Credit between Agricultural Bank of China Limited, Yongjia Branch and AoKang Shoes (the "Guarantee Agreements"). The total amount guaranteed based on the Guarantee Agreements is RMB370 million.

A copy of the Facility Letter, the relevant drawdown notices and loan confirmations are attached hereto as Exhibit 99.5, and an English translation of the Guarantee Agreements is attached hereto as Exhibit 99.6.

### **Item 4. Purpose of Transaction.**

The information set forth in Item 3 is hereby incorporated by reference in this Item 4.

As described in Item 3, pursuant to the Share Purchase Agreement, on the Closing Date, AoKang Shoes, through its subsidiary AOGANG International, acquired an aggregate of 20,260,082 Shares and 2,146,864 ADSs (representing 4,293,728 Shares), representing approximately 25.66% of the Issuer's total outstanding Shares, based on 95,712,573 Shares of the Issuer outstanding as of April 10, 2015, as reported by the Issuer in its Annual Report on Form 20-F filed with the Securities and Exchange Commission on April 17, 2015. In connection with the Share Purchase, AoKang Shoes appointed Mr. Zhentao Wang and Mr. Wenkui Chen as the directors of the Issuer. Mr. Zhang and Mr. Bo Feng resigned from their positions as the directors of the Issuer. AoKang Shoes acquired, through AOGANG International, the Acquired Shares for investment purposes.



Except as disclosed in the Statement and in connection with the Share Purchase described above, none of the Reporting Persons and, to their best knowledge, any person named on Schedule A hereto, has any present plans or proposals that relate to or would result in:

- (a) the acquisition by any person of additional securities of the Issuer, or the disposition of securities of the Issuer;
- (b) an extraordinary corporate transaction, such as a merger, reorganization or liquidation, involving the Issuer;
- (c) a sale or transfer of a material amount of assets of the Issuer;
- (d) any change in the present board or management of the Issuer, including any plans or proposals to change the number or term of directors or to fill any existing vacancies on the board;
- (e) any material change in the present capitalization or dividend policy of the Issuer;
- (f) any other material change in the Issuer's business or corporate structure;
- (g) changes in the Issuer's charter, bylaws or instruments corresponding thereto or other actions that may impede the acquisition of control of the Issuer by any person;
- (h) a class of securities of the Issuer being delisted from a national securities exchange or ceasing to be authorized to be quoted in an inter-dealer quotation system of a registered national securities association;
- (i) a class of equity securities of the Issuer becoming eligible for termination of registration pursuant to Section 12(g)(4) of the Securities Exchange Act; or
- (j) any action similar to any of those enumerated above.

Although the Reporting Persons have no present intention to acquire additional securities of the Issuer, they intend to review their investment on a regular basis and, as a result thereof and subject to the terms and conditions of the applicable transaction documents, may at any time or from time to time determine, either alone or as part of a group, (i) to acquire additional securities of the Issuer, through open market purchases, privately negotiated transactions or otherwise, (ii) to dispose of all or a portion of the securities of the Issuer owned by it in the open market, in privately negotiated transactions or otherwise or (iii) to take any other available course of action, which could involve one or more of the types of transactions or have one or more of the results described in the above paragraph of this Item 4. Any such acquisition or disposition or other transaction would be made in compliance with all applicable laws and regulations and subject to the restrictions on transfers set forth in the transaction documents in connection therewith. Notwithstanding anything contained herein, each of the Reporting Persons specifically reserves the right to change its intention with respect to any or all of such matters. In reaching any decision as to its course of action (as well as to the specific elements thereof), each of the Reporting Persons currently expects that it would take into consideration a variety of factors, including, but not limited to, the following: the Issuer's business and prospects; other developments concerning the Issuer and its businesses generally; other business opportunities available to the Reporting Persons; changes in law and government regulations; general economic conditions; money and stock market conditions, including the market price of the securities of the Issuer; and tax considerations and other factors deemed relevant.

#### ***Item 5. Interest in Securities of the Issuer.***

The responses of the Reporting Persons to Rows (7) through (13) of the cover pages and the information set forth in Item 2 of this Amendment No. 1 are incorporated herein by reference. On the Closing Date, AoKang Shoes acquired, through its subsidiary AOGANG International, an aggregate of 20,260,082 Shares and 2,146,864 ADSs (representing 4,293,728 Shares), representing approximately 25.66% of the total outstanding Shares of the Issuer.

AOGANG International, a subsidiary directly and wholly owned by Aokang Shoes, is the record holder of the Acquired Shares.

Mr. Zhentao Wang is the chairman of the board and controlling person of AoKang Shoes. He directly holds 14.93% of the total outstanding shares of AoKang Shoes and holds additional 32.73% of the total outstanding shares of AoKang Shoes through AoKang Investment. Pursuant to an acting-in-concert arrangement between Mr. Zhentao Wang and Mr. Chen Wang, Mr. Zhentao Wang may direct the voting in respect of additional 9.98% of AoKang Shoe's total outstanding shares directly held by Mr. Chen Wang. Mr. Zhentao Wang is also the sole director of AOGANG International. Pursuant to Section 13(d) of the Securities Exchange Act and the rules promulgated thereunder, Mr. Zhentao Wang may be deemed to beneficially own all of the Acquired Shares of the Issuer held by AOGANG International.

AoKang Investment directly holds 32.73% of the total outstanding shares of AoKang Shoes and is the single largest shareholder of AoKang Shoes as of the date of this Amendment No. 1. It is 90% held by Mr. Zhentao Wang and 10% held by Mr. Chen Wang. Pursuant to Section 13(d) of the Securities Exchange Act and the rules promulgated thereunder, AoKang Investment may be deemed to beneficially own all of the Acquired Shares of the Issuer held by AOGANG International.

Mr. Jinquan Wang is a brother of Mr. Zhentao Wang. He is currently the president and a director of AoKang Shoes. He directly holds 4.98% of the total outstanding shares of AoKang Shoes as of the date of this Amendment No. 1. Pursuant to Section 13(d) of the Securities Exchange Act and the rules promulgated thereunder, Mr. Jinquan Wang may be deemed to beneficially own, together with Mr. Zhentao Wang, all of the Acquired Shares of the Issuer held by AOGANG International.

The percentage of the class of securities beneficially owned by each of the Reporting Persons reported on this Amendment No. 1 is based on 95,712,573 Shares of the Issuer outstanding as of April 10, 2015, as reported by the Issuer in its Annual Report on Form 20-F filed with the Securities and Exchange Commission on April 17, 2015.

Based on their holdings of Shares upon the Share Purchase, the Reporting Persons controlled approximately 25.66% of the voting power of the total outstanding Shares of the Issuer as of the Closing Date.

Except as disclosed in the Statement, none of the Reporting Persons and, to the best of their knowledge, any of the persons listed on Schedule A hereto, beneficially owns any Shares or ADSs or has the right to acquire any Shares or ADSs.

Except as disclosed in the Statement, none of the Reporting Persons and, to the best of their knowledge, any of the persons listed on Schedule A hereto, presently has the power to vote or to direct the vote or to dispose or direct the disposition of any of the Shares or ADSs that they may be deemed to beneficially own.

Except as disclosed in the Statement, none of the Reporting Persons and, to the best of their knowledge, any of the persons listed on Schedule A hereto, has effected any transaction in any Shares or ADSs during the past 60 days.

Except as disclosed in the Statement, to the best of the Reporting Persons' knowledge, no other person has the right to receive or the power to direct the receipt of dividends from, or the proceeds from the sale of, the Shares (including those represented by ADSs) beneficially owned by the Reporting Persons.

#### ***Item 6. Contracts, Arrangements, Understandings or Relationships With Respect to Securities of the Issuer.***

##### ***Share Purchase Agreement***

The Share Purchase Agreement is described under Item 3 above, which is incorporated under this Item 6 by reference. The summary of the Share Purchase Agreement in this Statement is qualified in its entirety by reference to the Share Purchase Agreement, a copy of which is attached to the Original Schedule 13D as Exhibit 99.2.

##### ***Joinder Agreement***

On the Closing Date, AOGANG International executed a joinder agreement (the "Joinder Agreement") to the effect that AOGANG International became a party to, and was bound by the terms of, the Second Amended and Restated Shareholders Agreement (the "Shareholders Agreement") which GSR Ventures and the Ceyuan Entities, among other investors, entered into with the Issuer, the Founder Shareholders and the Founder SPVs on September 28, 2010. Pursuant to the Joinder Agreement, AOGANG International would be entitled to the rights, privileges and benefits and assume the obligations and liabilities as investor and a holder of Shares, including but not limited to certain registration rights with respect to the Acquired Shares.

A brief summary of those registration rights is set forth below.

***Demand Registration:*** At any time after six months following the closing of the Company Qualified IPO (as defined in the Shareholders Agreement), holders holding 25% or more of the voting power of the then outstanding registrable securities held by all holders may request in writing that the Issuer file a registration statement and receive declaration of the effectiveness of that registration statement on any internationally recognized exchange that is reasonably acceptable to such requesting holders.

***Registration on Form F-3 or Form S-3:*** If the Issuer qualifies for registration on Form F-3 or Form S-3 (or any comparable form for registration in a jurisdiction other than the United States), any holder of the registrable securities may request the Issuer to file, in any jurisdiction in which the Issuer has had a registered underwritten public offering, a registration statement on Form F-3 or Form S-3 (or any comparable form for registration in a jurisdiction other than the United States). The Issuer is however not required to prepare and file more than two Form F-3 or Form S-3 registration statements in any 12-month period.

***Piggyback Registration Rights:*** If the Issuer proposes to file a registration statement for a public offering of its securities other than an offering relating to any share plan or a corporate reorganization, the Issuer shall promptly offer holders of its registrable securities an opportunity to include in the registration all or any part of their registrable securities subject to satisfaction of the procedural requirements set forth therein.

**Expenses of Registration:** The Issuer will bear all registration expenses, other than underwriting discounts and selling commissions incurred in connection with any demand, piggyback or F-3/S-3 registration. The Issuer shall not, however, be required to pay for any expenses of any registration proceeding as a result of the holders' exercise of its demand or F-3/S-3 registration rights if the registration request is subsequently withdrawn at the request of the holders holding a majority of the voting power of the registrable securities requested to be registered by all holder in such registration.

**Termination of Obligations:** The Issuer has no obligation to effect any demand, piggyback or Form F-3/S-3 registration upon the earlier of (i) the date that is five years from the date of closing of an IPO; and (ii) as to any registrable security holder, the date on which such holder may sell all of such holder's registrable securities under Rule 144 of the Securities Act of 1933, as amended, in any 90-day period.

The foregoing description of the Shareholders Agreement does not purport to be a complete description of the terms thereof and is qualified in its entirety by reference to the full text of the Shareholders Agreement, a copy of which was previously filed with the Registration Statement on Form F-1 (File No. 333-187965) as Exhibit 4.10 by the Issuer on April 17, 2013 and incorporated herein by reference. A copy of the Joinder Agreement is attached hereto as Exhibit 99.3 and incorporated herein by reference.

#### **Facility Letter and Guarantee Agreements**

The Facility Letter and the Guarantee Agreements are described under Item 3 above, which are incorporated under this Item 6 by reference. The summary of the Facility Letter and the Guarantee Agreements in this Statement is qualified in its entirety by reference to the Facility Letter and the Guarantee Agreements, as the case may be. A copy of the Facility Letter, the relevant drawdown notices and loan confirmations are attached hereto as Exhibit 99.5, and an English translation of the Guarantee Agreements is attached hereto as Exhibit 99.6, both incorporated herein by reference.

Except as described above, to the best knowledge of the Reporting Persons, there are no contracts, arrangements, understandings or relationships (legal or otherwise), including, but not limited to, transfer or voting of any of the securities, finder's fees, joint ventures, loan or option arrangements, puts or calls, guarantees of profits, division of profits or loss, or the giving or withholding of proxies, between the persons enumerated in Item 2, and any other person, with respect to any securities of Issuer, including any securities pledged or otherwise subject to a contingency the occurrence of which would give another person voting power or investment power over such securities other than standard default and similar provisions contained in loan agreements.

#### **Item 7. Material to be Filed as Exhibits.**

<u>Exhibit No.</u>	<u>Description</u>
99.1	Joint Filing Agreement, dated July 31, 2015, among ZheJiang AoKang Shoes Co., Ltd., AoKang Investment Holdings Co., Ltd., Mr. Zhentao Wang, Mr. Jinquan Wang and AOGANG International (Hong Kong) Corporation Limited.
99.2*	Share Purchase Agreement, dated June 9, 2015, between GSR Ventures III, L.P., Ceyuan Ventures II, L.P., Ceyuan Ventures Advisors Fund II, LLC, Mr. Alan Quji Guo, Mr. Liang Zhang, Mr. Xin (Kevin) Wen, Wincore Holdings Limited, Clinet Investments Limited, Vitz Holdings Limited and ZheJiang AoKang Shoes Co., Ltd.
99.3	Joinder Agreement, dated July 22, 2015, by AOGANG International (Hong Kong) Corporation Limited.
99.4†	Second Amended and Restated Shareholders Agreement, dated as of September 28, 2010, among LightInTheBox Holding Co., Ltd., Ceyuan Ventures II, L.P., Ceyuan Ventures Advisors Fund II, LLC, GSR Ventures III, L.P., Banean Holdings Ltd, Trustbridge Partners III, L.P. and certain other persons named therein.
99.5	Facility Letter issued by Agricultural Bank of China Limited, Hong Kong Branch, on July 15, 2015, and relevant drawdown notices from AOGANG International and confirmations.
99.6	English translation of the Agreements Regarding the Issue of Foreign Related Letter of Guarantee/ Standby Letter of Credit, dated July 15, 2015 and July 16, 2015, respectively, between ZheJiang AoKang Shoes Co., Ltd. and Agricultural Bank of China Limited, Yongjia Branch.

\* Previously filed with the Original Schedule 13D as Exhibit 99.2.

† Previously filed with the Registration Statement on Form F-1 (File No. 333-187965) as Exhibit 4.10 by the Issuer on April 17, 2013 and incorporated herein by reference.

**SIGNATURE**

After reasonable inquiry and to the best of each of the undersigned's knowledge and belief, each of the undersigned certifies that the information set forth in this Amendment No. 1 is true, complete and correct.

Dated: August 5, 2015

**AOGANG INTERNATIONAL (HONG KONG) CORPORATION LIMITED**

By: /s/ Zhentao Wang

Name: Zhentao Wang

Title: Director

**ZHEJIANG AOKANG SHOES CO., LTD.**

By: /s/ Zhentao Wang

Name: Zhentao Wang

Title: Chairman of the Board

**AOKANG INVESTMENT HOLDINGS CO., LTD.**

By: /s/ Zhentao Wang

Name: Zhentao Wang

Title: Chairman of the Board

**ZHENTAO WANG**

By: /s/ Zhentao Wang

**JINQUAN WANG**

By: /s/ Jinquan Wang

## SCHEDULE A

**DIRECTORS AND EXECUTIVE OFFICERS OF AOGANG INTERNATIONAL (HONG KONG) CORPORATION LIMITED**

The name, business address, title, present principal occupation or employment of the sole director of AOGANG International are set forth below.

The business address of such sole director is c/o AOGANG International (Hong Kong) Corporation Limited, RM.19C, Lockhart CTR., 301-307 Lockhart RD, Wan Chai, Hong Kong. The sole director is a PRC citizen.

<b>Name</b>	<b>Position with AOGANG International</b>	<b>Present Principal Occupation</b>
<i>Director</i> Zhentao Wang	Director	Chairman of the Board of AoKang Shoes

**DIRECTORS AND EXECUTIVE OFFICERS OF ZHEJIANG AOKANG SHOES CO., LTD.**

The name, business address, title, present principal occupation or employment of each of the directors and executive officers of AoKang Shoes are set forth below.

The business address of the directors and the executive officers is c/o ZheJiang AoKang Shoes Co., Ltd., Aokang Industrial Park, Dongou Industrial District, Oubei Town, Yongjia County, Zhejiang Province, People's Republic of China. All of the persons listed below are PRC citizens.

<b>Name</b>	<b>Position with AoKang Shoes</b>	<b>Present Principal Occupation</b>
<i>Directors</i>		
Zhentao Wang	Chairman of the Board	*
Jinquan Wang	President, Director	*
Xuliang Xu	Vice President, Director	*
Panshan Zhou	Vice President, Director	*
Xiongping Yu	Director	*
Xiuqi Chu	Independent Non-executive Director	Chairman of China Commerce Association for General Merchandise
Haiying Tao	Independent Non-executive Director	Partner of Zhejiang T&C Law Firm
Fugen Mao	Independent Non-executive Director	Professor at Xiamen University
<i>Executive officers</i>		
Jinquan Wang	President, Director	*
Xuliang Xu	Vice President, Director	*
Panshan Zhou	Vice President, Director	*
Wei Zhou	Vice President	*
Yuanying Wen	Vice President	*
Huirong Luo	Vice President	*
Shaobao Pan	Supervisor	*
Gang Xu	Supervisor	*
Yihan Jiang	Supervisor	*
Wenkui Chen	Secretary of the Board	*
Zhibin Wang	Chief Financial Officer	*

\* The principal occupation is the same as his/her position with AoKang Shoes.

**DIRECTORS AND EXECUTIVE OFFICERS OF AOKANG INVESTMENT HOLDINGS CO., LTD.**

The name, business address, title, present principal occupation or employment of each of the directors and executive officers of AoKang Investment are set forth below.

The business address of the directors and executive officers is c/o AoKang Investment Holdings Co., Ltd., Room 3E-1121, 2123 Pudong Avenue, Pudong New District, Shanghai, People's Republic of China. All of the persons listed below are PRC citizens.

<b>Name</b>	<b>Position with AoKang Investment</b>	<b>Present Principal Occupation</b>
<i>Directors</i>		
Zhentaο Wang	Chairman of the Board	Chairman of the Board of AoKang Shoes
Chen Wang	Director	*
Hongwei Wang	Director and General Manager	*
<i>Executive officers</i>		
Hongwei Wang	Director and General Manager	*
Zhibin Wang	Supervisor	Chief Financial Officer of Aokang Shoes

\* The principal occupation is the same as his/her position with AoKang Investment.

**SCHEDULE B**

<u>Seller</u>	<u>Securities</u>	<u>Acquired Shares (including ADSs) (Number)</u>	<u>Purchase Price (US\$)</u>
GSR Ventures III, L.P.	Shares	7,326,172	23,077,441.80
Ceyuan Ventures II, L.P.	Shares	9,440,205	29,736,645.75
Ceyuan Ventures Advisors Fund II, LLC	Shares	363,725	1,145,733.75
Wincore Holdings Limited	Shares	3,129,980	9,859,437.00
Clinet Investments Limited	ADSs	955,113	6,017,211.90
Vitz Holdings Limited	ADSs	1,191,751	7,508,031.30

## JOINT FILING AGREEMENT

We, the undersigned, hereby agree that the Statement on Schedule 13D/A to which this Agreement is an Exhibit, which is being filed in connection with the securities of LightInTheBox Holding Co., Ltd., and any amendments thereafter signed by each of the undersigned, shall be filed on behalf of each of the undersigned pursuant to and in accordance with Rule 13d-1(k)(1) under the Securities Exchange Act of 1934, as amended.

IN WITNESS WHEREOF, the undersigned hereby execute this Agreement as of July 31, 2015.

**AOGANG International (Hong Kong) Corporation  
Limited**

By: /s/ Zhentao Wang

Name: Zhentao Wang

Title: Director

**ZheJiang AoKang Shoes Co., Ltd.**

By: /s/ Zhentao Wang

Name: Zhentao Wang

Title: Chairman of the Board

**AoKang Investment Holdings Co., Ltd.**

By: /s/ Zhentao Wang

Name: Zhentao Wang

Title: Chairman of the Board

**Mr. Zhentao Wang**

By: /s/ Zhentao Wang

**Mr. Jinquan Wang**

By: /s/ Jinquan Wang



JOINDER AGREEMENT

**King & Wood Mallesons**

13/F, Gloucester Tower, The Landmark

15 Queen's Road Central

Central

Hong Kong

T +852 3443 1000

F +852 3443 1299

[www.kwm.com](http://www.kwm.com)

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**Details**

<b>Buyer</b>	Name	AOGANG International (Hong Kong) Corporation Limited
	Incorporated in	Hong Kong
	Address	Rm. 19C, Lockhart Ctr., 301-307 Lockhart Rd., Wan Chai, Hong Kong
	Fax	+86 577 6728 8833
	Email	aks@aokang.com
	Attention	Director

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<b>Recitals</b>	<b>A</b>	LightInTheBox Holding Co., Ltd. (the “ <b>Company</b> ”), Ceyuan Ventures II, L.P., Ceyuan Ventures Advisors Fund II, LLC (collectively, the “ <b>Ceyuan Investors</b> ”) and GSR Ventures III, L.P. (“ <b>GSR Investors</b> ”) and other parties thereto have executed the second amended and restated shareholders agreement dated 28 September 2010 (“ <b>Shareholders Agreement</b> ”).
	<b>B</b>	Buyer, Ceyuan Investors and GSR Investors and other parties thereto has entered into the share purchase agreement dated 9 June 2015 (the “ <b>SPA</b> ”), pursuant to which (i) Buyer shall purchase from Ceyuan Investors and GSR Investors an aggregate number of 17,130,102 ordinary shares of the Company (the “ <b>Subject Ordinary Shares</b> ”) and (ii) Buyer is required to deliver a joinder agreement executed by Buyer to the effect that Buyer becomes a party to the Shareholders Agreement as an “Investor” as defined in the Shareholders Agreement.

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<b>Governing law</b>	Hong Kong
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<b>Date of agreement</b>	22 July 2015
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**1 Definitions**

Unless otherwise defined in this Joinder Agreement, the expressions used in this Joinder Agreement have the same meaning as those used in the Shareholders Agreement.

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**2 Buyer assumes rights and obligations**

- (a) Buyer shall be entitled to exercise all of the rights, privileges and benefits and to bear all of the obligations and liabilities as an Investor and a Holder under the Shareholders Agreement with respect to the Subject Ordinary Shares.
  - (b) Buyer undertakes with the Company and other parties to the Shareholders Agreement as from the signing date of this Joinder Agreement to be bound by the Shareholders Agreement.
- 

**3 Address of Buyer for notices**

For the purposes of the Shareholders Agreement, the address of Buyer to which all notices must be delivered in accordance with Section 12.6 (Notices) of the Shareholders Agreement is:

<u>Name</u>	<u>Correspondence Address</u>	<u>Fax and/or email</u>	<u>Attention to:</u>
AOGANG International (Hong Kong) Corporation Limited	Aokang Industrial Park, Dongou Industrial District, Oubei Town, Yongjia County, Zhejiang Province, PRC	Fax: +86 577 6728 8833  Email: aks@aokang.com	Director

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**4 Entire Agreement**

With effect from the date of this Joinder Agreement, this Joinder Agreement together with the Shareholders Agreement shall be construed as one instrument, but in the event of any conflict between this Joinder Agreement and the Shareholders Agreement, the provisions of this Joinder Agreement shall prevail.

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**5 Governing law and Dispute Resolutions**

Section 12.4 (*Governing Law*) and Section 12.5 (*Dispute Resolution*) of the Shareholders Agreement applies to this Joinder Agreement.

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**6 Counterparts**

This Joinder Agreement may be executed in any number of counterparts. All counterparts taken together will be taken to constitute one agreement.

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**7 Delivery of this Agreement**

A copy of this Agreement shall be delivered to the Company and the other parties set forth below at the following electronic mail address.

- (a) Company
- (b) Light In The Box Limited
- (c) Lanting Jishi Trade (Shenzhen) Co., Ltd.
- (d) Shenzhen Lanting Huitong Technologies Co., Ltd.
- (e) Alan Quji Guo
- (f) Wincore Holdings Limited
- (g) Liang Zhang
- (h) Clinet Investments Limited
- (i) Xin (Kelvin) Wen
- (j) Vitz Holdings Limited
- (k) Xu Xiaoping
- (l) Focus China Holdings Limited
- (m) Chit Jeremy Chau
- (n) Kingmax Holdings Group Limited
- (o) Liu Jun
- (p) Fulltrend Holdings Limited
- (q) Ceyuan Investors
- (r) GSR Investor
- (s) Banean Holdings Ltd
- (t) Trustbridge Partners III, L.P.

Electronic mail address for (a) through (t): [alanguo@lightinthebox.com](mailto:alanguo@lightinthebox.com)

**EXECUTED** as an agreement.

Executed by AOGANG International (Hong Kong)  
Corporation Limited

/s/ Wang Zhentao

---

Director

Wang Zhentao

Private and Confidential

AOGANG International (Hong Kong) Corporation Limited

Our Ref No. CP-150487

中国浙江省永嘉县千石奥康工业园

Attn: Mr. WANG Zhentao, Director

15 July 2015

Dear Sirs,

**FACILITY LETTER**

Agricultural Bank of China Limited Hong Kong Branch (the "**Bank**") is pleased to inform you that it will consider requests made by the Borrower(s) specified below for the following banking facilities (the "**Facilities**") on the following terms and conditions.

Unless otherwise defined herein, the terms defined in the Bank's Standard Terms for Banking Facilities (executed by the Borrower(s) at any time) shall have the same meanings when used in this facility letter.

**A. BORROWER(S):**

AOGANG International (Hong Kong) Corporation Limited

**B. FACILITIES AND LIMITS:****I. General Banking Facilities**

Type(s) of Facility	Facility Limit(s)
1. Revolving Loan Facility	USD60,000,000.00
<b>Total Facility Limit:</b>	<b>USD60,000,000.00</b>

Remarks:

- The aggregate outstanding from the Borrower(s) under a particular Facility shall not at any time exceed the Facility Limit of that Facility.
- The aggregate outstandings of all the above Facilities shall not at any time exceed the Total Facility Limit.



## C. FACILITIES CONDITIONS

### I. **General Banking Facilities**

#### 1. **Revolving Loan Facility**

**Purpose:** For equity investment in LightInTheBox Holding Co., Ltd. (a listed company in New York Stock Exchange). According to the Foreign Exchange Regulations of the People's Republic of China, the usage of the Facility is not allowed for capital investment in Mainland China directly or through third parties in any forms.

**Drawdown:** Written notice of a loan drawdown under this Facility shall be received by the Bank one (1) banking day before the proposed drawdown date.

If there is more than one loan under each Standby L/C, the Borrower is required to specify, in each written notice stated above, the reference number of the Standby L/C under which the loan is made.

The aggregate loans amount of this Facility available for drawing shall not, at any time, exceed any of the following: -

- (1) 93% of the Equivalent Value (as defined below) of all Standby L/C(s) already issued and not yet expired (where (1) the currency of the loan(s) is different from the corresponding Standby L/C(s) and (2) the currencies of the loan(s) and the Standby L/C(s) are JPY, EUR, AUD, HKD, USD, CNY and/or other currency), or
- (2) 95% of the Equivalent Value (as defined below) of all Standby L/C(s) already issued and not yet expired (where (1) the currency of the loan(s) is different from the corresponding Standby L/C(s) and (2) the currencies of the loan(s) and the Standby L/C(s) are CNY, HKD, USD only), or
- (3) 97% of all Standby L/C(s) already issued and not yet expired (for currency of the loan(s) being the same as the corresponding Standby L/C(s));
- (4) Notwithstanding the above mentioned, the aggregate amount of loans available for drawdown plus the applicable interest must not exceed the aggregate amount (or its Equivalent Value) of Standby Letter(s) of Credit issued / to be issued by Agricultural Bank of China Limited Zhejiang Branch.

**Availability Period:** For so long as the existing Standby L/C(s) remain valid and subject to terms and conditions of this letter, the Borrower may



request utilization of this Facility.

- Tenor:** Maximum upto 3 years.
- Interest Period:** Loans will be made for periods of 1 to 3 months (subject to availability) as selected by the Borrower(s). Full or partial rollover of each loan is at the Bank's discretion.
- The interest period for each loan under this Facility shall not, in any case, be later than 15 days before the expiry date of the Standby L/C.
- Interest:** HIBOR or LIBOR or the Bank's Cost of Funds to be fixed by the Bank at its sole discretion for the term of the loans plus 1.6% p.a., payable on the end date of each Interest Period.
- Repayment:** Every loan shall be repaid on the end date of each interest period, but loans repaid may be reborrowed (subject to all other terms and conditions hereof). Unless otherwise agreed, the Borrower(s) shall, by no later than 15 days before the expiry date of that corresponding Standby L/C(s), repay all outstanding loan(s) (together with the accrued interest) drawn under the corresponding Standby L/C(s).
- Prepayment:** Permitted with two banking days' prior written notice and subject to payment of break funding cost to the Bank.
- Equivalent Value:** in relation to the Standby L/C or cash margin (if applicable), means their equivalent value (in the currency of the loan amount) as conclusively determined by the Bank at its sole discretion from time to time in accordance with the market prevailing exchange rate between the currency of the Standby L/C or cash margin and the currency of the loan, which value may change from time to time due to fluctuation of the prevailing exchange rate.
- Top-Up Provision:** The Borrower(s) shall at all times maintain the outstanding loan amount under this Facility not exceeding:-
- (1) 93% of the Equivalent Value of the Standby L/C (where (1) the currency of the loan(s) is different from the corresponding Standby L/C(s) and (2) the currencies of the loan(s) and the Standby L/C(s) are JPY, EUR, AUD, HKD, USD, CNY and/or other currency); or
  - (2) 95% of the Equivalent Value of the Standby L/C (where (1) the currency of the loan(s) is different from the corresponding Standby L/C(s) and (2) the currencies of the loan(s) and the Standby L/C(s) are CNY, HKD, USD only).
- If the outstanding loan amount under this Facility exceeds: -





- (1) 97% of the Equivalent Value of Standby L/C amount (if the Standby L/C and the loan are in different currencies); or

the Borrower(s) shall pay additional cash margin in such amount and in such manner at the Bank's sole discretion within 3 banking days to maintain the outstanding loan amount at less than or equal to:-

- (1) 93% of the Equivalent Value of the Standby L/C plus the relevant cash margin (if the currencies of the loan(s) and the Standby L/C(s) are JPY, EUR, AUD, HKD, USD, CNY and/or other currency ) or;
- (2) 95% of the Equivalent Value of the Standby L/C plus the relevant cash margin (if the currencies of loan(s) and Standby L/C(s) are CNY, HKD and/or USD only).

The Bank has the right at any time to demand immediate repayment of the loans and present the claim against the Standby L/C without prior notice to the Borrower if the outstanding loan amount exceeds 98% of the Equivalent Value of the corresponding Standby L/C.

Control Over Loan Proceeds:

All the loan proceeds shall first be paid into the designated account of the Borrower(s) maintained with the Bank. The Borrower(s) may only withdraw the loan proceeds for the intended purpose of this Facility and in compliance with the provisions of this letter.

Default Interest

Time shall be of essence of any payment/repayment to be made by the Borrower(s) and/or the security provider(s) (if any). If any sum is not paid when due or is in excess of the relevant facility limit of the Facilities, the sum overdue or in excess shall bear interest at 5% p.a. above the respective applicable interest rates from time to time charged by the Bank to the Borrower(s). Such default interest shall accrue and be calculated from the date when the relevant payment is due (or the relevant facility limit is exceeded) and up to (but excluding) the date when the relevant overdue payment is repaid in full (or the relevant facility limit is complied with) on daily basis.

Cost and Expenses

All costs and expenses incurred by the Bank (including but not limited to legal fees and expenses) in respect of the Facilities shall be paid by the Borrower(s), whether or not any of the Facilities is/are utilized.



**D. SECURITY AND CONDITIONS PRECEDENT**

The following documents, items and evidence (both in the form and substance satisfactory to the Bank) shall be delivered to the Bank prior to submitting any request for utilization of the Facilities to the Bank:-

1. A copy of the duplicate of this facility letter duly executed by the Borrower(s).
2. Standard Terms for Banking Facilities duly executed by the Borrower(s) (form attached).
3. Cash Margin Agreement or any other relevant security agreement which the Bank may require from time to time (form attached).
4. Irrevocable and unconditional Standby L/C, the contents of which is acceptable to the Bank, issued or to be issued by Agricultural Bank of China Limited Zhejiang Branch in favour of the Bank ("Standby L/C").
5. Original / certified copies of all necessary consents, approvals or other authorization (including board resolutions and shareholders' resolution, if necessary) in connection with the execution, delivery and performance of this facility letter and all other documents mentioned in this part, if applicable.
6. Such other documents, items or evidence that the Bank may require from time to time.

In addition to the delivery of the abovementioned documents, items and evidence (both in the form and substance satisfactory to the Bank) to the Bank, any utilization under the Facilities may only be made by the Borrower(s) after the Bank has completed "know your customer" or similar identification procedures in respect of the Borrower(s).

**E. UNDERTAKINGS**

1. A signed original copy of audited financial statements of the Borrower(s) shall be provided to the Bank within 180 days from the end of each accounting year.
2. The Borrower(s) represent(s), declare(s) and undertake(s) to the Bank that the utilization of the Facilities or use of proceeds drawn under this letter including the flow of loan proceeds do not and will not conflict with any law or regulation applicable to the Borrower(s) (including without limitation those in force in the Mainland China). In particular, the loan proceeds drawn under the Facilities will not directly or indirectly be transferred to the Mainland China for investment by way of share acquisition or for fulfillment of any debt obligations, such including but not limited to:
  - (i) for use or refinancing of the existing banking facilities of which the loan purpose was originally for use of share acquisition or settlement of debt obligations of which the loan proceeds was transferred to the Mainland China; or
  - (ii) for use directly or indirectly to acquire shares of companies which are incorporated outside the Mainland China but the principal business and assets of the companies are in the Mainland China.

In case of any transfer of loan proceeds to the Mainland China, it must be under the



recognised way of transfer of funds to the Mainland China by the State Administration of Foreign Exchange and in compliance with all legal and regulatory requirements for transfer of funds to the Mainland China. The above representation and declaration are deemed to be made by each Borrower by reference to the facts then existing during the period where the Facilities or any part thereof remain outstanding.

3. The Borrower(s) undertake(s) with the Bank that it shall comply with all laws or regulations applicable to it in the Mainland China in particular of the regulatory rules and guidelines as set out by the State Administration of Foreign Exchange. In case of approval or registration from the State Administration of Foreign Exchange is required, the Borrower(s) is/are obliged to obtain and complete the relevant approval or registration and provide the evidence of such approval or registration to the Bank in order for the Banks to arrange payment to the Mainland China under the relevant Facility(ies).
4. The Borrower(s) shall furnish upon demand cash cover or other security or further security in such form and value as may be required by the Bank from time to time in amounts and/or values sufficient at all times in the Bank's opinion to secure all or any of the outstanding liabilities of the Borrower(s) under the Facilities and, if required by the Bank, shall register or procure the registration of the relevant security with the appropriate authority(ies).

## **F. OTHER TERMS AND CONDITIONS**

1. Each request or application made by the Borrower(s) to use any of the Facilities in whole or in part shall be a request by the Borrower(s) to the Bank to extend financing on the terms and conditions set out or referred to in this letter. No commitment by the Bank to extend any financing shall arise until any application by the Borrower(s) for such financing is accepted by the Bank either expressly or by its extending such financing to the Borrower(s).
2. Notwithstanding any provision to the contrary stated in this letter and in any other document (whether express or implied), the Facilities are repayable on demand by the Bank. The Bank has the overriding right at any time to require the Borrower(s) to immediately make payment and/or cash collateralization of all or any sums actually or contingently owing to the Bank under the Facilities (whether such sums are due or scheduled to mature in the future). This letter stipulates the terms and conditions applicable to the Facilities, if granted, and does not oblige the Bank to extend or continue any financing to the Borrower(s).
3. The Bank may at any time immediately modify, terminate, cancel, withdraw or suspend the Facilities or vary the terms applicable to the Facilities without the consent of any party and without subject to any condition.
4. If the Bank from time to time determines that any or all of the interest rates otherwise stated in this letter to be applicable to the Facility(ies) does not reflect its Cost of Funds, the Bank may apply its Cost of Funds (as determined by the Bank at its sole discretion, and expressed as a rate per annum) plus the applicable margin stated in this letter (instead of such interest rate(s)) to calculate the interest payable by the Borrower(s). Such alternative interest calculation will apply until the Bank determines otherwise and notifies the Borrower(s) accordingly.
5. A certificate or determination by the Bank of an interest rate, its Cost of Funds, an amount payable by the Borrower(s) under this letter or any other matter provided for in this letter and



# 中国农业银行 香港分行

AGRICULTURAL BANK OF CHINA HONG KONG BRANCH

Incorporated in China with limited liability

AOGANG International (Hong Kong) Corporation Limited

Our Ref: CP-150487

other facility documents is, save to the extent of manifest error, conclusive evidence against the Borrower(s) of the matter(s) covered thereby.

6. This facility letter shall be governed by and construed in accordance with the laws of Hong Kong Special Administrative Region ("**Hong Kong**") and the Borrower(s) agree(s) to submit to the non-exclusive jurisdiction of the Hong Kong courts.

Please confirm your acceptance to the terms and conditions of this letter (incorporating the Bank's Standard Terms for Banking Facilities) by signing and returning to us the enclosed copy of this letter on or before 17 August 2015, after which this offer shall lapse unless extended, which will be at the sole discretion of the Bank.

In case of any queries, please feel free to contact Ms. Viann Lam, Relationship Manager of our Trade Finance Department at (852) 2861 7958, who will assist you in the execution of the required documentation. Please return the executed documents to 25/F, Agricultural Bank of China Tower, 50 Connaught Road Central, Hong Kong.

Yours faithfully,  
For and on behalf of  
Agricultural Bank of China Limited  
Hong Kong Branch

Authorised signatories



申請日期: 2015年7月14日  
Application Date

貸款交易號 810LA  
LOAN DEAL NUMBER

申請人資料 APPLICANT'S DETAILS

客戶名稱: 奧港國際(香港)有限公司  
CUSTOMER NAME  
客戶號碼: 059686  
CUSTOMER ID

交易詳情 TRANSACTION DETAILS

甲部 貸款提款 PART A LOAN DRAWDOWN  
 提款日期: 2015年7月20日  
 DRAWDOWN DATE  
 貸款金額: 貨幣 USD 金額 2870000.00  
 LOAN AMOUNT CCY AMOUNT  
 利率期: 3 個月 或 由 / 至 /  
 RATE PERIOD MONTHS FROM TO  
 貸款最終到期日(如適用): 2018年6月29日  
 Final Maturity Date (if any)

請填寫1或/及2之處理方法 Proceeds of Drawdown, please fill in 1 and/or 2

<p><b>1 匯往匯款/Remittance (請填寫乙部 Please fill in PART B)</b> 此項下匯款須以現款交收</p> <p>請安排將下列款項匯出                  Please arrange to remit the proceeds of the drawdown following:  <input type="checkbox"/> 匯出金額/請填寫乙部/ 貨幣 金額                  By remittance CCY AMOUNT                  (Please fill in PART B)</p>	<p><b>2 存入賬戶 Credit to Account with our Bank</b>                  請安排將下列款項存入                  Please credit to our account of the advance to the following account:  <input checked="" type="checkbox"/> 存入賬戶全部 貨幣 USD 金額 2870000.00                  Full loan proceeds CCY AMOUNT                  存入全(帳號): 0596861411                  Account No.</p>
---	---

乙部 PART B

中國銀行名稱: \_\_\_\_\_ 收款人名稱: \_\_\_\_\_  
 Introduce Bank Name and Swift BIC Beneficiary  
 收款行名稱及地址: \_\_\_\_\_ 收款人地址: \_\_\_\_\_  
 Beneficiary's Bank Name and Location Beneficiary's Address  
 請提供中國香港銀行編碼: \_\_\_\_\_ 收款人帳號: \_\_\_\_\_  
 SWIFT BIC CODE Beneficiary's A/C No.  
 本行及收款行貨幣:  收款方 BEN  付款方 OUR  自由手當 OUR  
 Remittance & Cheque Details  
 \* 匯往中國內地 Remittance to Mainland China

丙部 PART C

轉期 ROLL-OVER  
 部分金額 Partial Amount 或  全部金額 FULL AMOUNT  
 轉期金額: 貨幣 金額  
 Repaid Amount CCY AMOUNT  
 半年自動續期 3 個月 直至到期前為止  
 (Roll-over automatically) (months) until final maturity of the

還款 PRINCIPAL REPAYMENT:  提前還款  按期還款  
 Prepayment Repayment  
 還款日期 Repayment Date: \_\_\_\_\_  
 部分金額 Partial Amount 或  全部金額 FULL AMOUNT  
 還款金額: 貨幣 金額  
 Repayment Amount CCY AMOUNT

由本公司賬戶 0596861411 內扣取上述各項之償還本息 利息金額及相關費用(如有)  
 Please debit our account for payment of loan principal repayment, interest payment and relevant expenses(if any)  
 \*\*如有變更 或任何重要通知 或 if any changes, please notify us with written instructions

我已閱讀並理解此項申請之條款及條件並同意遵守 銀行之所有相關條例  
 We have read with full understanding of the terms & conditions being applied by your bank from time to time and agree to comply therewith.  
 本人/吾等已閱讀並理解此項申請之條款及條件並同意遵守 銀行之所有相關條例  
 I/we have read with full understanding of the terms & conditions being applied by your bank from time to time and agree to comply therewith.  
 申請人簽署 Applicant's Signature:  
 For and on behalf of  
**AOGANG International (Hong Kong) Corporation Limited**  
 奧港國際(香港)有限公司  
 \_\_\_\_\_  
 Authorized Signature(s)

銀行專用 FOR BANK USE ONLY

R. Manager	REMARKS				
Checked & Approval					
C.S.			REMITTANCE		
S.V.	Checked by	Maker	Checker	Approval	



奥港国际(香港)有限公司  
中国浙江省永嘉县  
千石奥康工业园

Reference:  
810LA150000B09D

Date:  
20JUL2015

LOAN CONFIRMATION

WE CONFIRM YOUR LOAN DRAWDOWN AS FOLLOWING:

REF NO: 810LA150000B09D  
TRADE DATE: 20 Jul 2015  
PRINCIPAL: USD28,700,000.00  
VALUE DATE: 20JUL2015  
NEXT INT PAYMENT DATE: 20OCT2015  
MATURITY DATE: 20OCT2015  
INTEREST RATE: 1.88700000%p. a. (Margin:1.60000%p. a.)  
INTEREST AMOUNT: USD138,400.97

PAYMENT AT VALUE DATE BY CREDITING A/C NO.0596861412

PAYMENT AT MATURITY DATE BY DEBITING A/C NO.0596861411

SPECIAL INSTRUCTIONS:

THIS IS A COMPUTER GENERATED ADVICE AND REQUIRES NO SIGNATURE IN CASE OF DISCREPANCY, PLEASE ADVISE US.  
此乃電腦編印通知書而無需簽字。如有錯漏，請即通知本行。

申請日期: 2015年7月14日

貸款交易號 810LA

Application Date

LOAN DEAL NUMBER

申請人資料 APPLICANT'S DETAILS														
客戶名稱: <u>奧港國際(香港)有限公司</u> CUSTOMER NAME	客戶號碼: <u>059686</u> CUSTOMER ID													
交易詳情 TRANSACTION DETAILS														
<b>甲部 貸款撥款 PART A LOAN DRAWDOWN</b>														
提取日期: <u>2015年7月20日</u> DRAWDOWN DATE	貸款金額: <u>USD</u> 貨幣 金額: <u>2730000.00</u> AMOUNT													
利率期: <u>3</u> 個月 或 逾 INTEREST PERIOD MONTHS OR UP TO	貸款最終到期日(如適用): <u>2018年7月19日</u> Final Maturity Date (if any)													
請填寫1或/及2之處理方法: Proceeds of Drawdown, please fill in 1 and/or 2														
<b>1 匯款匯票 Remittance (請填寫2部 Please fill in PART B)</b> 此項: 匯款或內保外匯交易 請安排將下列款項匯出: Please arrange to remit the proceeds of the advance to the following: <input type="checkbox"/> 匯出金額/匯款日期: 貨幣 金額 IS Remittance DATE AMOUNT (Please fill in PART B)	<b>2 存入賬戶 Credit to Account with our Bank</b> 請安排將下列款項存入: Please credit to our account of the advance to the following account: <input checked="" type="checkbox"/> 存入賬戶金額: 貨幣 <u>USD</u> 金額 <u>2730000.00</u> Full term proceeds CCF AMOUNT 存入及(帳號): <u>0596861411</u> Account No.													
<b>乙部 PART B</b>														
中銀分行名稱 Intermediate Bank Name and Swift BIC	收款人名稱 Beneficiary													
收款行名稱及地址 Beneficiary's Bank Name and Location	收款人地址 Beneficiary's Address													
匯單銀行代辦等詳細資料 SWIFT BIC CODE	收款人帳號 Beneficiary's A/C No.													
利率及收銀行費用 <input type="checkbox"/> 收銀方 BEN <input type="checkbox"/> 付款方 OUR <input type="checkbox"/> 各自承擔 SMA Remittance & Charges Changes	附言 Message													
<input type="checkbox"/> * 匯款中國內地 Remittance to Mainland China														
<b>丙部 PART C</b>														
<input checked="" type="checkbox"/> 轉期 ROLLOVER <input type="checkbox"/> 部份金額 Partial Amount 或 <input checked="" type="checkbox"/> 全部金額 FULL AMOUNT 轉期金額: 貨幣 金額 Rollover Amount CCF AMOUNT <input checked="" type="checkbox"/> 本金自動結清 <u>3</u> 個月 直至貸款到期日止 Please auto rollover by _____ month(s) until final maturity of the	<input type="checkbox"/> 還款 PRINCIPAL REPAYMENT: <input type="checkbox"/> 還款還款 <input type="checkbox"/> 還期還款 Repayment: Repayment 還款日期 Repayment Date: _____ <input type="checkbox"/> 部份金額 Partial Amount 或 <input type="checkbox"/> 全部金額 FULL AMOUNT 還款金額: 貨幣 金額 Repayment Amount CCF AMOUNT													
由本人/公司賬戶 <u>0596861411</u> 內撥取上述所選擇之償還本金、利息金額及相關費用(如無) Please debit our account for payment of loan principal repayment, interest payment and relevant expenses (if any) 如有更改, 請以電匯或更改, 請與本行聯絡。 If any change, please notify us with written instruction.														
備註: 本行將根據本行及有關當局之規定, 對上述各項資料進行審核。 Note: We shall verify the information of the above with the relevant authorities as required by our bank and the relevant authorities. * 本行將根據本行及有關當局之規定, 對上述各項資料進行審核。 * We shall verify the information of the above with the relevant authorities as required by our bank and the relevant authorities.	<b>銀行專用 FOR BANK USE ONLY</b> <table border="1"> <thead> <tr> <th>R. Manager</th> <th>REMARKS</th> </tr> </thead> <tbody> <tr> <td> </td> <td> </td> </tr> <tr> <td colspan="2" style="text-align: center;">Checked &amp; Approval</td> </tr> <tr> <td colspan="2" style="text-align: center;">C.S. REMITTANCE</td> </tr> <tr> <td>S.V.</td> <td>Checked by</td> <td>Maker</td> <td>Checker</td> <td>Approval</td> </tr> </tbody> </table>	R. Manager	REMARKS			Checked & Approval		C.S. REMITTANCE		S.V.	Checked by	Maker	Checker	Approval
R. Manager	REMARKS													
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C.S. REMITTANCE														
S.V.	Checked by	Maker	Checker	Approval										
申請人簽署 Applicant's Signature: For and on behalf of <b>AOGANG International (Hong Kong) Corporation Limited</b> 奧港國際(香港)有限公司 Authorized Signature(s) 請與本行之印信相符 Signatures must be in conformity with Bank's record														



奥港国际(香港)有限公司  
中国浙江省永嘉县  
千石奥康工业园

Reference:  
810LA150000B10D

Date:  
20JUL2015

LOAN CONFIRMATION

WE CONFIRM YOUR LOAN DRAWDOWN AS FOLLOWING:

REF NO: 810LA150000B10D  
TRADE DATE: 20 Jul 2015  
PRINCIPAL: USD27,300,000.00  
VALUE DATE: 20JUL2015  
NEXT INT PAYMENT DATE: 20OCT2015  
MATURITY DATE: 20OCT2015  
INTEREST RATE: 1.88700000%p. a. (Margin:1.60000%p. a.)  
INTEREST AMOUNT: USD131,649.70

PAYMENT AT VALUE DATE BY CREDITING A/C NO.0596861412

PAYMENT AT MATURITY DATE BY DEBITING A/C NO.0596861411

SPECIAL INSTRUCTIONS:

THIS IS A COMPUTER GENERATED ADVICE AND REQUIRES NO SIGNATURE IN CASE OF DISCREPANCY, PLEASE ADVISE US.  
此乃電腦編印通知書而無需簽字。如有錯漏，請即通知本行。



**Agreements Regarding the Issue of Foreign Related Letter of Guarantee/Standby Letter of Credit**

(English Translation)

No.: 33050120150000106

**Dear customer,****To protect your interests, please carefully read the terms of this Agreement (especially the terms in bold) and pay attention to your rights and obligations in the Agreement before signing this Agreement. In case of any questions, please consult the handling bank.**Applicant (full name): ZheJiang AoKang Shoes Co., Ltd.Guarantor (full name): Agricultural Bank of China Limited, Yongjia Branch

The Applicant makes an application to the Guarantor, asking the latter to issue an foreign related letter of guarantee/standby letter of credit. In accordance with the relevant laws and regulations of the People's Republic of China (the "PRC"), the parties reached consensus through negotiation and this Agreement is entered into.

**Article 1** The Guarantor accepts the request of the Applicant to issue an irrevocable foreign related letter of guarantee/standby letter of credit to the Applicant, details of which are listed below: (the details shall be subject to the letter of guarantee/standby letter of credit issued)

Type of letter of guarantee/standby letter of credit: Financing standby letter of creditGuarantee currency and amount (in words): RMB One hundred and ninety million onlyBeneficiary of the letter of guarantee/standby letter of credit (name): AGRICULTURAL BANK OF CHINA LIMITED, HONGKONG BRANCHBeneficiary of the letter of guarantee/standby letter of credit (registered address): 25/F, Agricultural Bank of China, Tower 50 Connaught Road Central, Hong KongGuaranteed person of the letter of guarantee/standby letter of credit (name and registered address, if different from the Applicant): AOGANG INTERNATIONAL (HONG KONG) CORPORATION LIMITED

RM. 19C LOCKHART CTR 301-307 LOCKHART RD WAN CHAI HK.

Payment conditions under the letter of guarantee/standby letter of credit: Payable immediately on demand

Issuing method of the letter of guarantee/standby letter of credit (by letter/by teletransmission): By teletransmission Due date/conditions for invalidation/place of invalidation of the letter of guarantee/standby letter of credit: Due date: July 15, 2018; place of invalidation: Zhejiang, China

**Article 2** The Guarantor is entitled to refuse to issue of the letter of guarantee/standby letter of credit if the following conditions are not fulfilled:

1. The Applicant has opened a basic account with the Guarantor.
2. The Applicant has paid up sufficient margin according to Article 7 of this Agreement.
3. The Applicant has provided the relevant documents and information as required by the Guarantor, and has properly completed the approval, registration and other legal formalities related to the letter of guarantee/standby letter of credit according to the relevant regulations in the PRC.
4. If the method of counter-guarantee under this Agreement is by way of guarantee, then the guarantee contract has been signed and taken effect. If the method of counter-guarantee is by way of security or pledge, then the Applicant has properly completed legal formalities such as registration and/or insurance as required by the Guarantor, and the counter-guarantee and insurance are in continuous effect.
5. The Applicant does not have any adverse acts or situations that is sufficient to affect the safety of the debts of the Guarantor.

**Article 3** Costs

1. From the effective date of the letter of guarantee/standby letter of credit to the invalidation date of the letter of guarantee/standby letter of credit, a premium will be collected from the Applicant annually (annually/quarterly/in a lump sum), at the rate of 0.2% per annum (per annum/per quarter/in a lump sum) in RMB. In the case of annual/quarterly collection of premium, the first installment of premium shall be paid to the Guarantor by July 20, 2015, and the subsequent installments shall be paid to the Guarantor by July 20 each year. In the case of collection of premium in a lump sum, the Applicant shall pay the premium in a lump sum to the Guarantor before the issue date of the letter of guarantee/standby letter of credit. The billing amount for each period shall be calculated based on the effective guarantee amount of the letter of guarantee/standby letter of credit in the current period.

2. **The Guarantor can collect other fees based on the items and standards, etc., determined by the Guarantor according to laws and regulations, unless otherwise agreed by the parties. In case the Guarantor adjusts charge-out items and standards according to laws and regulations, it does not need to further notify the Applicant after making public announcement, unless otherwise stipulated by laws and regulations or otherwise agreed by the parties.** Fees payable to any third party for the performance of this Agreement shall be assumed by the parties after negotiation. In case there is no negotiation or the negotiation fails, the parties shall share the relevant expenses according to laws and regulations or based on the principal of fairness. The relevant laws and regulations shall include the laws, administrative regulations, local regulations, rules, judicial interpretations and other rules with legal effect in the People's Republic of China.
3. The above amounts payable can be directly deducted by the Guarantor from the account of the Applicant with the various branches of Agricultural Bank of China Limited, and the Guarantor is entitled to claim the shortfall from the Applicant. **In case the Guarantor exercise the right of set-off according to the law or this Agreement, the Applicant has an objection period of 7 working days, which starts from the date the Guarantor notifies the Applicant in written, oral or other forms.**

**Article 4** The Applicant undertakes that:

1. It is aware of and recognizes that the issuer of the foreign related letter of guarantee/standby letter of credit issued under this Agreement is Agricultural Bank of China Limited (Zhejiang Branch), and unconditionally agrees to assume the relevant obligations according to this Agreement.
2. It will open a RMB/foreign currency settlement account with the operating branches of the Guarantor, and handle all the RMB and foreign currency settlement transactions under this Agreement through this account, and shall be subject to the supervision of the Guarantor over its revenue and expenditure.
3. It will provide the Guarantor with true financial statements and all information such as the account-opening bank's name, account number and deposit balance.
4. It will accept the inspection and supervision of the Guarantor over its production, operations, financial activities and the relevant situations of the projects being the subject of the guarantee.
5. It will provide the relevant documents and information as required by the Guarantor, and will properly complete the approval, registration and other legal formalities related to the letter of guarantee/standby letter of credit according to the relevant regulations of the PRC.
6. The projects guaranteed by the letter of guarantee/standby letter of credit complies with the relevant laws and regulations of the PRC, and it will assume all the economic and legal obligations incurred by the project.

7. It will guarantee the performance by the guaranteed person of underlying contracts such as the contracts/tenders signed with the beneficiary, and report to the Guarantor in a timely manner about the performance of the contract and problems that arise.
8. It will obtain the written approval of the Guarantor and complete the necessary approval formalities and obtain relevant approvals according to the relevant foreign exchange control regulations of the PRC if, after the issuing of the letter of guarantee/standby letter of credit, the beneficiary and the Applicant (or guaranteed person) need to change the terms of the underlying contract to which the issue of the letter of guarantee/standby letter of credit is based upon, and as a result, the Guarantor's obligations of guarantee are changed. Otherwise, the Guarantor shall no longer assume the obligations of guarantee.
9. It will obtain the prior written approval of the Guarantor when it remits foreign currency profits. Where it is necessary to remit foreign currency funds when performing underlying contracts guaranteed by the letter of guarantee/standby letter of credit, it will provide written notice to the Guarantor.
10. It will pay various fees payable under the letter of guarantee/standby letter of credit on time and in full.
11. Where the currency of the margin that is actually deposited is different from the currency of the letter of guarantee/standby letter of credit, it is willing to assume the risk of exchange rate fluctuation. If the margin is insufficient due to exchange rate fluctuation, the Applicant shall cover the difference in margin in a timely manner.
12. If any claim under the letter of guarantee/standby letter of credit occurs within the validity period of the letter of guarantee/standby letter of credit, it will unconditionally pay back the Guarantor amounts such as advances, fees and interests under the letter of guarantee/standby letter of credit, and will unconditionally assume all the economic losses incurred by the Guarantor as a result of its performance of the obligations of guarantee. The Guarantor has the right to deduct the relevant amounts from the margin account and any other accounts of the Applicant. The Applicant waives all defences and rights of recourse as a result.
13. **When the following events occur, it will notify the Guarantor in writing, and carry out creditor's rights preservation measures approved by the Guarantor within 5 days after the occurrence of the events:**
  - (1) Change of affiliation relationship, change of senior management, amendment of articles of association, and adjustments to the organizational structure;
  - (2) Production halts, discontinuation of business, cancellation of registration, being revoked of business license, or becoming the subject of bankruptcy application;

- (3) Deterioration of financial status, serious difficulties in production and operation, or the occurrence of material litigations or arbitrations;
  - (4) Change of name, place of domicile, legal representative and contact method, etc.;
  - (5) Any other matters that have material and adverse impact on the interests of the Guarantor.
- 14. It will obtain the prior written approval of the Guarantor and carry out debt settlement measures approved by the Guarantor when engaging in the following activities:**
- (1) Carrying out contracting, lease, shareholding system reform, joint operation, merger, acquisition, separation, joint venture, asset transfer, reduction of registered capital, application for production halt and rectification, application for dissolution, application for bankruptcy, and other activities that are sufficient to cause changes to the creditor-debtor relationship under this Agreement or affect the interests of the Guarantor;
  - (2) Guaranteeing others' debts, making new investments or signing any other contracts that may affect the interests of the Guarantor under this Agreement.
15. The Applicant and its investors shall not secretly withdraw funds, transfer assets or transfer shares without authorization, in order to evade their debts to the Guarantor.
16. In case the guarantor of the counter-guarantee under this Agreement experiences production halts, discontinuation of business, cancellation of registration, being revoked of business license, bankruptcy or loss and partially or completely loses the counter-guarantee ability for this Agreement, or the value of the collateral, pledge and pledge rights for the counter-guarantee under this Agreement is impaired, the Applicant shall provide other counter-guarantees approved by the Guarantor in a timely manner.
17. If the Applicant fails to perform the obligations for repayment, the Guarantor may publicly disclose the breach of the Applicant.
18. It will not sign any contact that will prejudice the interests of the Guarantor under this Agreement with any third party.

**Article 5 External compensation and assumption of liability**

1. The Guarantor will process the claim documents, vouchers or certificates according to the provisions of the letter of guarantee/standby letter of credit only. Any disputes arising under the underlying contracts associated with the letter of guarantee/standby letter of credit shall be unrelated to the Guarantor.

2. **The Guarantor shall not be liable for the consequences resulting from the authenticity of, and the delay and/or loss in the process of transmission of, any messages, letters, payment requests or vouchers, or any delay, incompleteness or other errors occurred in the process of transmission of any telegrams, or the translation of the technical terms and/or any translation errors.** The Guarantor reserves the right to transmit the text of the letter of guarantee or any part thereof without translation.
3. When the beneficiary makes a claim against the Guarantor according to the provisions of the letter of guarantee/standby letter of credit during the validity period of the letter of guarantee/standby letter of credit, the Guarantor will only review the apparent authenticity of the claim documents, vouchers or certificates under the letter of guarantee/standby letter of credit, and shall not be liable for the form, integrity, accuracy, truthfulness, authenticity or legal effect of the claim documents, vouchers or certificates, nor shall it be liable for the general and/or special statements in the claim documents, vouchers or certificates or anyone's integrity, acts or omissions.
4. **After the Guarantor reviews the claim documents, vouchers or certificates and confirms that the claim conditions are met, it can make external payment without obtaining the prior approval of the Applicant.** The Applicant shall fulfill the obligation of compensation within the period specified in the Payment Notice. The Guarantor has the right to deduct the relevant amounts such as advances, fees and interests from the margin account or any other accounts of the Applicant with the various branches of Agricultural Bank of China Limited. **In case the Guarantor exercises the right of set-off according to law or this Agreement, the Applicant has an objection period of 7 working days, which starts from the date when the Guarantor notifies the Applicant in written, oral or other forms.** If the account balance is insufficient to settle the amounts payable of the Applicant, the Applicant shall assume all the losses incurred by the Guarantor as a result, and the Guarantor has the right to continue to claim from the Applicant.

**If there are several matured debts between the Applicant and the Guarantor, and the repayment of the Applicant is insufficient to settle all the matured debts, the debts to be settled by the payment of the Applicant and the set-off sequence shall be determined by the Guarantor. In case the Guarantor exercises the right of set-off against the Applicant according to the law or this Agreement, the debts to be set off and the set-off sequence shall be determined by the Guarantor. If the Guarantor exercises the right of subrogation according to law, the debts to be settled by the payment of the subordinate debtor to the Guarantor and the set-off sequence shall be determined by the Guarantor.**

**If the repayment of the Applicant is insufficient to settle the debts payable, the Guarantor may choose to use the repayment to settle the principal, interest, penalty, compound interest or the expenses for realizing the creditor's rights.**

5. If the Guarantor detects in its review that the claim documents, vouchers or certificates submitted by the beneficiary do not comply with the requirements of the letter of guarantee/standby letter of credit, the Guarantor will notify the Applicant of the relevant situations. The Applicant shall provide the handling opinion in written form to the Guarantor within the period specified in the Guarantor's notice. If it fails to provide notice on time, the Guarantor will directly refuse to pay. If the Applicant notifies the Guarantor in writing that it is willing to fulfill the obligation of compensation under the letter of guarantee/standby letter of credit, after the Applicant has provided 100% of the compensation amount, the Guarantor will make external compensation according to the instructions of the Applicant and the relevant provisions.

**Article 6** Modification and transfer of the letter of guarantee/standby letter of credit

1. When the Applicant requests the Guarantor to modify the details of the letter of guarantee/standby letter of credit, it must submit the "Application for the Modification of Foreign Related Letter of Guarantee/Standby Letter of Credit/Applicant's Letter of Undertaking", the relevant contract for modification and the written approval of the beneficiary for the modification to the Guarantor, explaining the reasons for and details of the modification. The Guarantor has the right to review according to the laws, regulations and its own management rules and decide whether to make modifications or not. If substantial changes are involved, such as increase of the guarantee amount and/or extension of the guarantee period, the Applicant shall increase and/or extend the counter-guarantee protections for the Guarantor accordingly, otherwise, the Guarantor has the right to refuse to modify the letter of guarantee/standby letter of credit.
2. Without the approval of the Guarantor, the letter of guarantee/standby letter of credit under this Agreement shall not be transferred, unless there is any provision in the letter of guarantee/standby letter of credit that allows for the transfer.

**Article 7** Counter-guarantee

The Applicant shall provide counter-guarantee in the following manner before this Agreement takes effect:

1. Margin: / % of the amount of the letter of guarantee/standby letter of credit, i.e. (currency and amount, in words) / , shall be deposited into the margin account designated by the Guarantor as pledge, and shall not make applications for its use within the validity period of the letter of guarantee/standby letter of credit. After the Guarantor has performed its guarantee obligations, the margin can be used to settle the advances in priority.

2. Counter-guarantee by means of account charge, in which the counter-guarantee contract shall be signed separately. The principal amount of the principal debt for the counter-guarantee shall be 100% of the amount of the letter of guarantee/standby letter of credit, i.e. (currency and amount, in words) RMB One hundred and ninety million only.
3. Where there is any counter-guarantee under this Agreement, the “creditor”, “mortgagee” or “pledgee” in the counter-guarantee contract refer to the “Guarantor” under this Agreement, while the “debtor” in the counter-guarantee contract refers to the “Applicant” under this Agreement.

**Article 8** Liabilities for breach of contract

1. If the Guarantor has to pay advances externally because the Applicant fails to fulfill the obligation of compensation, from the date of advance, the Guarantor shall charge interest on the advance amount at a daily interest rate of zero point zero five percent (in words), or at a spread of / (in words) month(s) / (LIBOR/HIBOR) + / %. LIBOR/HIBOR shall be the London Inter-Bank Offered Rate/ Hong Kong Inter-Bank Offered Rate for the corresponding period issued by Reuters on the date of advance.
2. If the Applicant breaches Article 3 of this Agreement and fails to pay the relevant expenses in full, a penalty shall be paid to the Guarantor at a daily interest rate of zero point zero five percent (in words).
3. If the Applicant breaches this Agreement, the Guarantor has the right to ask the Applicant to make rectifications within a specified period of time, stop issuing letter of guarantee/standby letter of credit to the Applicant, and to declare that debts under other contracts between the Applicant and the Guarantor to be due immediately, or take other asset preservation measures. If the Applicant does not provide 100% margin and breaches this Agreement, the Guarantor has the right to ask the Applicant to increase or pay additional margin.
4. If any guarantor of the counter-guarantee under this Agreement breaches the counter-guarantee contract, the Guarantor has the right to stop issuing letter of guarantee/standby letter of credit to the Applicant, ask the Applicant to increase or pay additional margin, and to declare that debts under other contracts between the Applicant and the Guarantor to be due immediately, or take other asset preservation measures.
5. If the Guarantor has to realize the creditor’s rights through litigation or arbitration because of the breach of the Applicant, the Applicant shall assume the legal fees, travel expenses and other costs paid by the Guarantor for realizing the creditor’s rights.



## **Article 9** Dispute resolution

Shall any disputes arise during the performance of this Agreement, they can be resolved by the parties through negotiation, or according to method 1 below:

1. Litigation, which shall be governed by the People's Court at the place of domicile of the Guarantor.
2. Arbitration, which shall be submitted to / (full name of the arbitration organization) for arbitration according to its arbitration rules.

During litigation or arbitration, terms of this Agreement which are not disputed shall still be performed.

## **Article 10** Miscellaneous

1. Within the validity period of this Agreement, neither the Applicant nor the Guarantor, shall modify or terminate this Agreement without authorization. Where it is necessary to modify the terms of this Agreement, the parties shall reach consensus through negotiation and sign a written agreement.
2. The "Application for the Issue of Foreign Related Letter of Guarantee/Standby Letter of Credit/Applicant's Letter of Undertaking" and/or "Application for the Modification of Foreign Related Letter of Guarantee/Standby Letter of Credit/Applicant's Letter of Undertaking" related to this Agreement and the advance vouchers, etc., shall be an integral part of this Agreement.
3. Since the currencies under this letter of guarantee and the offshore financing are different, the Guarantor has fully disclosed to the Applicant the exchange rate risk incurred by the exchange rate fluctuation between the two currencies during the financing period. The Applicant has fully understood the exchange risk of the financing currency and is willing to work with the Guarantor to properly carry out performance guarantee measures. The Applicant undertakes to assume all the risks incurred by the exchange rate fluctuation between the two currencies and properly provide performance guarantee when conducting the financing business as required by the Guarantor. If there is large exchange rate fluctuation during the financing period, the Applicant undertakes to provide additional performance guarantee, lock the financing exchange rate or prepay the offshore financing funds under this letter of guarantee.

## **Article 11** Validity of this Agreement

This Agreement shall take effect from the date of signing or affixing of a seal by the parties.

**Article 12** This Agreement shall be in triplicate, with the parties and the counter-Guarantor each holding one copy, and each copy shall have the same legal effect.

**Statement of the Applicant:** The Guarantor has reminded us of the relevant terms (especially the terms in bold) according to law, and at our request, explained the concepts, details and legal effects of the relevant terms. We have been aware of and understood the above-mentioned terms.

(Signature page)

Applicant

Guarantor

/s/ Wang Zhentao

/s/ (authorized signatory)

ZheJiang AoKang Shoes Co., Ltd. (seal)

Agricultural Bank of China Limited,  
Yongjia Branch (seal)

Legal representative or authorized agent

Person-in-charge or authorized agent

Signing date: July 15, 2015

Signing place: Jinsui Road, Oubei Town,  
Yongjia County

**Agreements Regarding the Issue of Foreign Related Letter of Guarantee/Standby Letter of Credit**

(English translation)

No.: 33050120150000108

**Dear customer,**

**To protect your interests, please carefully read the terms of this Agreement (especially the terms in bold) and pay attention to your rights and obligations in the Agreement before signing this Agreement. In case of any questions, please consult the handling bank.**

Applicant (full name): ZheJiang AoKang Shoes Co., Ltd.

Guarantor (full name): Agricultural Bank of China Limited, Yongjia branch

The Applicant makes an application to the Guarantor, asking the latter to issue an foreign related letter of guarantee/standby letter of credit. In accordance with the relevant laws and regulations of the People's Republic of China (the "PRC"), the parties reached consensus through negotiation and this Agreement is entered into.

**Article 1** The Guarantor accepts the request of the Applicant to issue an irrevocable foreign related letter of guarantee/standby letter of credit to the Applicant, details of which are listed below: (the details shall be subject to the letter of guarantee/standby letter of credit issued)

Type of letter of guarantee/standby letter of credit: Financing standby letter of credit

Guarantee currency and amount (in words): RMB One hundred and eighty million only.

Beneficiary of the letter of guarantee/standby letter of credit (name): AGRICULTURAL BANK OF CHINA LIMITED, HONGKONG BRANCH

Beneficiary of the letter of guarantee/standby letter of credit (registered address): 25/F, Agricultural Bank of China, Tower 50 Connaught Road Central, Hong Kong

Guaranteed person of the letter of guarantee/standby letter of credit (name and registered address, if different from the Applicant): AOGANG INTERNATIONAL (HONG KONG) CORPORATION LIMITED

RM. 19C LOCKHART CTR 301-307 LOCKHART RD WAN CHAI HK.

Payment conditions under the letter of guarantee/standby letter of credit: Payable immediately on demand

Issuing method of the letter of guarantee/standby letter of credit (by letter/by teletransmission): By teletransmission Due date/conditions for invalidation/place of invalidation of the letter of guarantee/standby letter of credit: Due date: August 6, 2018; place of invalidation: Zhejiang, China

**Article 2** The Guarantor is entitled to refuse to issue of the letter of guarantee/standby letter of credit if the following conditions are not fulfilled:

1. The Applicant has opened a basic account with the Guarantor.
2. The Applicant has paid up sufficient margin according to Article 7 of this Agreement.
3. The Applicant has provided the relevant documents and information as required by the Guarantor, and has properly completed the approval, registration and other legal formalities related to the letter of guarantee/standby letter of credit according to the relevant regulations in the PRC.
4. If the method of counter-guarantee under this Agreement is by way of guarantee, then the guarantee contract has been signed and taken effect. If the method of counter-guarantee is by way of security or pledge, then the Applicant has properly completed legal formalities such as registration and/or insurance as required by the Guarantor, and the counter-guarantee and insurance are in continuous effect.
5. The Applicant does not have any adverse acts or situations that is sufficient to affect the safety of the debts of the Guarantor.

**Article 3** Costs

1. From the effective date of the letter of guarantee/standby letter of credit to the invalidation date of the letter of guarantee/standby letter of credit, a premium will be collected from the Applicant annually (annually/quarterly/in a lump sum), at the rate of 0.2% per annum (per annum/per quarter/in a lump sum) in RMB. In the case of annual/quarterly collection of premium, the first installment of premium shall be paid to the Guarantor by July 20, 2015, and the subsequent installments shall be paid to the Guarantor by July 20 each year. In the case of collection of premium in a lump sum, the Applicant shall pay the premium in a lump sum to the Guarantor before the issue date of the letter of guarantee/standby letter of credit. The billing amount for each period shall be calculated based on the effective guarantee amount of the letter of guarantee/standby letter of credit in the current period.

2. **The Guarantor can collect other fees based on the items and standards, etc., determined by the Guarantor according to laws and regulations, unless otherwise agreed by the parties. In case the Guarantor adjusts charge-out items and standards according to laws and regulations, it does not need to further notify the Applicant after making public announcement, unless otherwise stipulated by laws and regulations or otherwise agreed by the parties.** Fees payable to any third party for the performance of this Agreement shall be assumed by the parties after negotiation. In case there is no negotiation or the negotiation fails, the parties shall share the relevant expenses according to laws and regulations or based on the principal of fairness. The relevant laws and regulations shall include the laws, administrative regulations, local regulations, rules, judicial interpretations and other rules with legal effect in the People's Republic of China.
3. The above amounts payable can be directly deducted by the Guarantor from the account of the Applicant with the various branches of Agricultural Bank of China Limited, and the Guarantor is entitled to claim the shortfall from the Applicant. **In case the Guarantor exercise the right of set-off according to the law or this Agreement, the Applicant has an objection period of 7 working days, which starts from the date the Guarantor notifies the Applicant in written, oral or other forms.**

**Article 4** The Applicant undertakes that:

1. It is aware of and recognizes that the issuer of the foreign related letter of guarantee/standby letter of credit issued under this Agreement is Agricultural Bank of China Limited (Zhejiang Branch), and unconditionally agrees to assume the relevant obligations according to this Agreement.
2. It will open a RMB/foreign currency settlement account with the operating branches of the Guarantor, and handle all the RMB and foreign currency settlement transactions under this Agreement through this account, and shall be subject to the supervision of the Guarantor over its revenue and expenditure.
3. It will provide the Guarantor with true financial statements and all information such as the account-opening bank's name, account number and deposit balance.
4. It will accept the inspection and supervision of the Guarantor over its production, operations, financial activities and the relevant situations of the projects being the subject of the guarantee.
5. It will provide the relevant documents and information as required by the Guarantor, and will properly complete the approval, registration and other legal formalities related to the letter of guarantee/standby letter of credit according to the relevant regulations of the PRC.
6. The projects guaranteed by the letter of guarantee/standby letter of credit complies with the relevant laws and regulations of the PRC, and it will assume all the economic and legal obligations incurred by the project.

7. It will guarantee the performance by the guaranteed person of underlying contracts such as the contracts/tenders signed with the beneficiary, and report to the Guarantor in a timely manner about the performance of the contract and problems that arise.
8. It will obtain the written approval of the Guarantor and complete the necessary approval formalities and obtain relevant approvals according to the relevant foreign exchange control regulations of the PRC if, after the issuing of the letter of guarantee/standby letter of credit, the beneficiary and the Applicant (or guaranteed person) need to change the terms of the underlying contract to which the issue of the letter of guarantee/standby letter of credit is based upon, and as a result, the Guarantor's obligations of guarantee are changed. Otherwise, the Guarantor shall no longer assume the obligations of guarantee.
9. It will obtain the prior written approval of the Guarantor when it remits foreign currency profits. Where it is necessary to remit foreign currency funds when performing underlying contracts guaranteed by the letter of guarantee/standby letter of credit, it will provide written notice to the Guarantor.
10. It will pay various fees payable under the letter of guarantee/standby letter of credit on time and in full.
11. Where the currency of the margin that is actually deposited is different from the currency of the letter of guarantee/standby letter of credit, it is willing to assume the risk of exchange rate fluctuation. If the margin is insufficient due to exchange rate fluctuation, the Applicant shall cover the difference in margin in a timely manner.
12. If any claim under the letter of guarantee/standby letter of credit occurs within the validity period of the letter of guarantee/standby letter of credit, it will unconditionally pay back the Guarantor amounts such as advances, fees and interests under the letter of guarantee/standby letter of credit, and will unconditionally assume all the economic losses incurred by the Guarantor as a result of its performance of the obligations of guarantee. The Guarantor has the right to deduct the relevant amounts from the margin account and any other accounts of the Applicant. The Applicant waives all defences and rights of recourse as a result.
13. **When the following events occur, it will notify the Guarantor in writing, and carry out creditor's rights preservation measures approved by the Guarantor within 5 days after the occurrence of the events:**
  - (1) Change of affiliation relationship, change of senior management, amendment of articles of association, and adjustments to the organizational structure;
  - (2) Production halts, discontinuation of business, cancellation of registration, being revoked of business license, or becoming the subject of bankruptcy application;

- (3) Deterioration of financial status, serious difficulties in production and operation, or the occurrence of material litigations or arbitrations;
  - (4) Change of name, place of domicile, legal representative and contact method, etc.;
  - (5) Any other matters that have material and adverse impact on the interests of the Guarantor.
- 14. It will obtain the prior written approval of the Guarantor and carry out debt settlement measures approved by the Guarantor when engaging in the following activities:**
- (1) Carrying out contracting, lease, shareholding system reform, joint operation, merger, acquisition, separation, joint venture, asset transfer, reduction of registered capital, application for production halt and rectification, application for dissolution, application for bankruptcy, and other activities that are sufficient to cause changes to the creditor-debtor relationship under this Agreement or affect the interests of the Guarantor;
  - (2) Guaranteeing others' debts, making new investments or signing any other contracts that may affect the interests of the Guarantor under this Agreement.
15. The Applicant and its investors shall not secretly withdraw funds, transfer assets or transfer shares without authorization, in order to evade their debts to the Guarantor.
16. In case the guarantor of the counter-guarantee under this Agreement experiences production halts, discontinuation of business, cancellation of registration, being revoked of business license, bankruptcy or loss and partially or completely loses the counter-guarantee ability for this Agreement, or the value of the collateral, pledge and pledge rights for the counter-guarantee under this Agreement is impaired, the Applicant shall provide other counter-guarantees approved by the Guarantor in a timely manner.
17. If the Applicant fails to perform the obligations for repayment, the Guarantor may publicly disclose the breach of the Applicant.
18. It will not sign any contact that will prejudice the interests of the Guarantor under this Agreement with any third party.

**Article 5 External compensation and assumption of liability**

1. The Guarantor will process the claim documents, vouchers or certificates according to the provisions of the letter of guarantee/standby letter of credit only. Any disputes arising under the underlying contracts associated with the letter of guarantee/standby letter of credit shall be unrelated to the Guarantor.



2. **The Guarantor shall not be liable for the consequences resulting from the authenticity of, and the delay and/or loss in the process of transmission of, any messages, letters, payment requests or vouchers, or any delay, incompleteness or other errors occurred in the process of transmission of any telegrams, or the translation of the technical terms and/or any translation errors.** The Guarantor reserves the right to transmit the text of the letter of guarantee or any part thereof without translation.
3. When the beneficiary makes a claim against the Guarantor according to the provisions of the letter of guarantee/standby letter of credit during the validity period of the letter of guarantee/standby letter of credit, the Guarantor will only review the apparent authenticity of the claim documents, vouchers or certificates under the letter of guarantee/standby letter of credit, and shall not be liable for the form, integrity, accuracy, truthfulness, authenticity or legal effect of the claim documents, vouchers or certificates, nor shall it be liable for the general and/or special statements in the claim documents, vouchers or certificates or anyone's integrity, acts or omissions.
4. **After the Guarantor reviews the claim documents, vouchers or certificates and confirms that the claim conditions are met, it can make external payment without obtaining the prior approval of the Applicant.** The Applicant shall fulfill the obligation of compensation within the period specified in the Payment Notice. The Guarantor has the right to deduct the relevant amounts such as advances, fees and interests from the margin account or any other accounts of the Applicant with the various branches of Agricultural Bank of China Limited. **In case the Guarantor exercises the right of set-off according to law or this Agreement, the Applicant has an objection period of 7 working days, which starts from the date when the Guarantor notifies the Applicant in written, oral or other forms.** If the account balance is insufficient to settle the amounts payable of the Applicant, the Applicant shall assume all the losses incurred by the Guarantor as a result, and the Guarantor has the right to continue to claim from the Applicant.

**If there are several matured debts between the Applicant and the Guarantor, and the repayment of the Applicant is insufficient to settle all the matured debts, the debts to be settled by the payment of the Applicant and the set-off sequence shall be determined by the Guarantor. In case the Guarantor exercises the right of set-off against the Applicant according to the law or this Agreement, the debts to be set off and the set-off sequence shall be determined by the Guarantor. If the Guarantor exercises the right of subrogation according to law, the debts to be settled by the payment of the subordinate debtor to the Guarantor and the set-off sequence shall be determined by the Guarantor.**

**If the repayment of the Applicant is insufficient to settle the debts payable, the Guarantor may choose to use the repayment to settle the principal, interest, penalty, compound interest or the expenses for realizing the creditor's rights.**

5. If the Guarantor detects in its review that the claim documents, vouchers or certificates submitted by the beneficiary do not comply with the requirements of the letter of guarantee/standby letter of credit, the Guarantor will notify the Applicant of the relevant situations. The Applicant shall provide the handling opinion in written form to the Guarantor within the period specified in the Guarantor's notice. If it fails to provide notice on time, the Guarantor will directly refuse to pay. If the Applicant notifies the Guarantor in writing that it is willing to fulfill the obligation of compensation under the letter of guarantee/standby letter of credit, after the Applicant has provided 100% of the compensation amount, the Guarantor will make external compensation according to the instructions of the Applicant and the relevant provisions.

**Article 6** Modification and transfer of the letter of guarantee/standby letter of credit

1. When the Applicant requests the Guarantor to modify the details of the letter of guarantee/standby letter of credit, it must submit the "Application for the Modification of Foreign Related Letter of Guarantee/Standby Letter of Credit/Applicant's Letter of Undertaking", the relevant contract for modification and the written approval of the beneficiary for the modification to the Guarantor, explaining the reasons for and details of the modification. The Guarantor has the right to review according to the laws, regulations and its own management rules and decide whether to make modifications or not. If substantial changes are involved, such as increase of the guarantee amount and/or extension of the guarantee period, the Applicant shall increase and/or extend the counter-guarantee protections for the Guarantor accordingly, otherwise, the Guarantor has the right to refuse to modify the letter of guarantee/standby letter of credit.
2. Without the approval of the Guarantor, the letter of guarantee/standby letter of credit under this Agreement shall not be transferred, unless there is any provision in the letter of guarantee/standby letter of credit that allows for the transfer.

**Article 7** Counter-guarantee

The Applicant shall provide counter-guarantee in the following manner before this Agreement takes effect:

1. Margin: / % of the amount of the letter of guarantee/standby letter of credit, i.e. (currency and amount, in words) / , shall be deposited into the margin account designated by the Guarantor as pledge, and shall not make applications for its use within the validity period of the letter of guarantee/standby letter of credit. After the Guarantor has performed its guarantee obligations, the margin can be used to settle the advances in priority.

2. Counter-guarantee by means of account charge, in which the counter-guarantee contract shall be signed separately. The principal amount of the principal debt for the counter-guarantee shall be 100% of the amount of the letter of guarantee/standby letter of credit, i.e. (currency and amount, in words) RMB One hundred and eighty million only.
3. Where there is any counter-guarantee under this Agreement, the “creditor”, “mortgagee” or “pledgee” in the counter-guarantee contract refer to the “Guarantor” under this Agreement, while the “debtor” in the counter-guarantee contract refers to the “Applicant” under this Agreement.

**Article 8** Liabilities for breach of contract

1. If the Guarantor has to pay advances externally because the Applicant fails to fulfill the obligation of compensation, from the date of advance, the Guarantor shall charge interest on the advance amount at a daily interest rate of zero point zero five percent (in words), or at a spread of / (in words) month(s) / (LIBOR/HIBOR) + / %. LIBOR/HIBOR shall be the London Inter-Bank Offered Rate/ Hong Kong Inter-Bank Offered Rate for the corresponding period issued by Reuters on the date of advance.
2. If the Applicant breaches Article 3 of this Agreement and fails to pay the relevant expenses in full, a penalty shall be paid to the Guarantor at a daily interest rate of zero point zero five percent (in words).
3. If the Applicant breaches this Agreement, the Guarantor has the right to ask the Applicant to make rectifications within a specified period of time, stop issuing letter of guarantee/standby letter of credit to the Applicant, and to declare that debts under other contracts between the Applicant and the Guarantor to be due immediately, or take other asset preservation measures. If the Applicant does not provide 100% margin and breaches this Agreement, the Guarantor has the right to ask the Applicant to increase or pay additional margin.
4. If any guarantor of the counter-guarantee under this Agreement breaches the counter-guarantee contract, the Guarantor has the right to stop issuing letter of guarantee/standby letter of credit to the Applicant, ask the Applicant to increase or pay additional margin, and to declare that debts under other contracts between the Applicant and the Guarantor to be due immediately, or take other asset preservation measures.
5. If the Guarantor has to realize the creditor’s rights through litigation or arbitration because of the breach of the Applicant, the Applicant shall assume the legal fees, travel expenses and other costs paid by the Guarantor for realizing the creditor’s rights.

## **Article 9** Dispute resolution

Shall any disputes arise during the performance of this Agreement, they can be resolved by the parties through negotiation, or according to method 1 below:

1. Litigation, which shall be governed by the People's Court at the place of domicile of the Guarantor.
2. Arbitration, which shall be submitted to / (full name of the arbitration organization) for arbitration according to its arbitration rules.

During litigation or arbitration, terms of this Agreement which are not disputed shall still be performed.

## **Article 10** Miscellaneous

1. Within the validity period of this Agreement, neither the Applicant nor the Guarantor, shall modify or terminate this Agreement without authorization. Where it is necessary to modify the terms of this Agreement, the parties shall reach consensus through negotiation and sign a written agreement.
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3. Since the currencies under this letter of guarantee and the offshore financing are different, the Guarantor has fully disclosed to the Applicant the exchange rate risk incurred by the exchange rate fluctuation between the two currencies during the financing period. The Applicant has fully understood the exchange risk of the financing currency and is willing to work with the Guarantor to properly carry out performance guarantee measures. The Applicant undertakes to assume all the risks incurred by the exchange rate fluctuation between the two currencies and properly provide performance guarantee when conducting the financing business as required by the Guarantor. If there is large exchange rate fluctuation during the financing period, the Applicant undertakes to provide additional performance guarantee, lock the financing exchange rate or prepay the offshore financing funds under this letter of guarantee.

## **Article 11** Validity of this Agreement

This Agreement shall take effect from the date of signing or affixing of a seal by the parties.

**Article 12** This Agreement shall be in triplicate, with the parties and the counter-Guarantor each holding one copy, and each copy shall have the same legal effect.

**Statement of the Applicant:** The Guarantor has reminded us of the relevant terms (especially the terms in bold) according to law, and at our request, explained the concepts, details and legal effects of the relevant terms. We have been aware of and understood the above-mentioned terms.

(Signature page)

Applicant

Guarantor

/s/ Wang Zhentao

/s/ (authorized signatory)

ZheJiang AoKang Shoes Co., Ltd. (seal)

Agricultural Bank of China Limited,  
Yongjia Branch (seal)

Legal representative or authorized agent

Person-in-charge or authorized agent

Signing date: July 16, 2015

Signing place: Jinsui Road, Oubei Town,  
Yongjia County