

Dated

30 April

2010

(1) **DAVID STERN**

and

(2) **INFORMA PLC**

---

**AGREEMENT**  
**for the sale and purchase**  
**of 50.1% of the issued share capital**  
**of China Medical Data Services Limited**

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**CMS Cameron McKenna LLP**  
**Mitre House**  
**160 Aldersgate Street**  
**London EC1A 4DD**



**Ref: AJS/SUKK/125793.00010**

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THIS AGREEMENT is made the 30<sup>th</sup> day of April 2010

**BETWEEN:**

- (1) DAVID STERN of 152 Grosvenor Road, London, SW1V 3JL (the "Seller"); and
- (2) INFORMA PLC (registered in Jersey with number 102786) whose principal office is at Gubelstrasse 11, CH-6300 Zug, Switzerland (the "Informa").

**RECITALS**

- (A) Details of China Medical Data Services Limited (the "Company") are set out in Part 1 of Schedule 1.
- (B) The Seller has agreed to sell the Shares to the Purchaser and the Purchaser has agreed to purchase the Shares on and subject to the terms and conditions of this Agreement.

**NOW IT IS AGREED** as follows:

**1. Definitions and Interpretation**

1.1 In this Agreement:

"Accounts" means the audited financial statements of the Subsidiary as at the Balance Sheet Date (comprising in each case a balance sheet, profit and loss account, notes, auditors' and directors' reports and a cashflow statement) and references to the Subsidiary's Accounts are to the relevant financial statements comprised in the Accounts;

"Affiliate" means in relation to any body corporate (i) its parent undertaking; or (ii) any subsidiary undertaking of such body corporate or of its parent undertaking;

"AIC" means the local counterparts in China to the SAIC;

"Balance Sheet Date" means 31 December 2009;

"Business" means collectively the businesses of each Group Company as carried on at the date of this Agreement;

"Business Day" means a day (other than a Saturday or Sunday) when banks are open for business in the City of London;

"Business Plan" means the business plan (in Agreed Form) attached hereto as Schedule 8;

"China" means the People's Republic of China;

"CMDS" means China Medical Data Services Limited, a company registered in the British Virgin Islands under number 1524823, whose registered office is at PO Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands;

"CMDS SPA" means the purchase contract between CMDS and the Company to acquire the entire issued share capital of the Subsidiary attached hereto as Schedule 7;

"Company" means the company named in Recital (A);

"Completion" means completion of the sale and purchase of the Shares pursuant to this Agreement;

**“Conditions”** means collectively the conditions to Completion set out in clause 4.1 and **“Condition”** shall be construed accordingly;

**“Conditions Precedent Date”** means 31 October 2010;

**“Connected Person”** means a person connected (within the meaning of section 839 TA 88) with the Seller or any of the directors (or any former director) of the Company or of the Subsidiary;

**“Consideration”** means the sum of US\$2,487,500;

**“Contracts”** means the contracts set out in Condition 4.1.1 (in Agreed Form);

**“Disclosed”** means accurately and fairly disclosed (with sufficient details to identify the nature and scope of the matter disclosed) by the Disclosure Documents (and **“Disclosure”** shall be construed accordingly);

**“Disclosure Documents”** means the Disclosure Letter and the two identical bundles of documents collated by or on behalf of the Seller, the outside covers of each of which have been signed for identification by or on behalf of the Seller and the Purchaser;

**“Disclosure Letter”** means the letter described as such, dated as of the date of this Agreement and addressed by the Seller to the Purchaser;

**“Employees”** means the employees of the Subsidiary whose names have been Disclosed;

**“Encumbrance”** means any right to acquire, option or right of pre-emption or conversion or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, or any other security agreement or arrangement, or any agreement to create any of the above;

**“Environment”** means any and all organisms (including man), ecosystems, property and the following media: air (including the air within buildings and the air within other natural or man-made structures, whether above or below ground); water (including water under or within land or in drains or sewers and coastal and inland waters); and land (including land under water);

**“Environmental Laws”** means any and all laws, whether civil, criminal or administrative, applicable to the Group and/or conduct of the Business and which have as a purpose or effect the protection or the provision of remedies in respect of the Environment;

**“Escrow Account”** means the joint account held in the name of the Purchaser and the Seller with National Westminster Bank for the purpose of holding the Consideration and the Investment Amount;

**“Escrow Account Mandate”** means the form for the opening of the Escrow Account entered into by the Purchaser and the Seller on the date hereof;

**“Escrow Amount”** means the sum standing to the credit of the Escrow Account from time to time;

**“Group”** means collectively the Company and the Subsidiary (and **“Group Company”** shall be construed accordingly);

**“Health and Safety Laws”** means any and all laws, whether civil, criminal or administrative, applicable to the Group and/or the Business concerning health and safety matters and all and

any regulations or orders made or issued under any such legislation and any relevant codes of practice, guidance notes and the like issued by government agencies;

**“Hong Kong”** means the Hong Kong Special Administrative Region of China;

**“Intellectual Property”** means patents, rights to inventions, copyright and related rights, moral rights, trade marks, service marks and trade names, domain names, rights in get-up, rights to goodwill or to sue for passing off or unfair competition, rights in designs, rights in computer software, database rights, rights in confidential information (including Know-How) and any other intellectual property rights or rights of a similar nature, in each case whether registered or unregistered, and including all applications (or rights to apply) for, and renewals or extensions of, such rights and all similar or equivalent rights or forms of protection which subsist or will subsist now or in the future in any part of the world;

**“Investment Amount”** means the sum of US\$8,512,500 being the amount to be invested by the Purchaser for Loan Notes (as defined in the Shareholders’ Agreement) upon execution of the Shareholders’ Agreement in accordance with its terms;

**“Know-How”** means all inventions, improvements, modifications, processes, formulae, models, prototypes and sketches, drawings, plans or specifications or any other matters made, devised, developed or discovered by any Group Company, alone or with one or more others, relating to or otherwise in connection with the Business;

**“LCIA Court”** means the London Court of International Arbitration

**“LCIA Rules”** means the LCIA Arbitration Rules

**“Lease”** means in relation to any Property, if applicable, the lease under which the Property is held by a Group Company;

**“Letter of Appointment”** the letter of appointment proposed to be entered into between the Company and the Seller (in Agreed Form);

**“Liability for Tax”** means any liability to make a payment of or in respect of Tax and shall also include the set-off or use against income, profits or gains earned, accrued or received or against any Tax chargeable in respect of any act, omission or transaction occurring on or before Completion of any relief or right to repayment of Tax (including any repayment supplement) which is not available before Completion but is available after Completion and where, but for such set-off or use, the Group Company would have had a liability to make a payment of or in respect of Tax for which the Purchaser would have been liable to make a claim against the Seller under this Agreement;

**“Management Accounts”** means the unaudited management accounts in respect of the Subsidiary as at 31 March 2010 and in respect of the 3 month period then ended and attached hereto at Schedule 9;

**“New Articles”**: the proposed new Articles of Association of the Company in the Agreed Form;

**“parent undertaking”** means a parent undertaking within the meaning of section 1162 Companies Act 2006 but in addition as if that section provided that an undertaking is deemed to be a member of another undertaking where its rights in relation to that other undertaking are held by way of security by another person but treated for the purposes of that section as held by it;

**“Parties”** means the Purchaser and the Seller (and **“Party”** shall be construed accordingly);

**“Permits”** means any and all licences, consents, permits, registrations, filings, exemptions, approvals, authorisations or the like, made or issued pursuant to or under, or required by, Environment Laws in relation to the carrying on of the Business at the Properties;

**“Properties”** means the real properties of which short particulars are set out in Schedule 2 and the expression “Property” shall mean, where the context so admits, any one or more or any part of such properties;

**“Purchaser’s Solicitors”** means CMS Cameron McKenna LLP of Mitre House, 160 Aldersgate Street, London EC1A 4DD (Ref.: AJS/SUKK/125793.00010);

**“Relevant IP”** means all registered Intellectual Property owned by the Company or the Subsidiary and all Intellectual Property owned by or licensed to the Company or the Subsidiary other than “shrink wrap” or “click wrap” software;

**“Relief”** means any loss, relief, allowance, credit, exemption or set-off in respect of Taxation or any deduction in computing income, profits or gains for the purposes of Taxation;

**“RMB”**: means Renminbi, the official currency of China (excluding Hong Kong, Macau, Special Administrative Region and Taiwan);

**“SAIC”** means the state Administration for Industry and Commerce;

**“Seller’s Solicitors”** means Winston Strawn LLP of 200 Park Avenue, New York, NY 10166-4193 (Ref: Eric Cowan);

**“Seller’s Account”** means the bank account notified by the Seller to the Purchaser prior to Completion;

**“Shareholders’ Agreement”** means the shareholders’ agreement to be entered into on Completion between inter alia the Company, the Seller and the Purchaser (in the Agreed Form).

**“Shares”** means the 501 fully-paid issued A Ordinary Shares of HKD\$1 each in the capital of the Company;

**“Steps Plan”** means the steps plan setting out the order and the way in which steps will be taken in order to fulfil the Conditions (in Agreed Form);

**“Subsidiary”** means the company which upon Completion shall be the subsidiary of the Company, being that company named in Part 2 of Schedule 1;

**“subsidiary”** means a subsidiary within the meaning of section 1159 Companies Act 2006 but in addition as if that section provided that its members are deemed to include any other body corporate whose rights in relation to it are held on behalf of that other body corporate or by way of security by another person but are treated for the purposes of that section as held by that other body corporate;

**“subsidiary undertaking”** means a subsidiary undertaking within the meaning of section 1162 Companies Act 2006 but in addition as if that section provided that its members are deemed to include any other undertaking whose rights in relation to it are held by way of security by another person but are treated for the purposes of that section as held by that other undertaking;

**“Taxation” or “Tax”** means:

- (a) all forms of taxation and statutory, governmental, state, federal, provincial, local government or municipal charges, duties, imposts, contributions, levies, withholdings or liabilities wherever chargeable and whether of China, Hong Kong or any other jurisdiction; and
- (b) any penalty, fine, surcharge, interest, charges or costs payable in connection with any taxation within (a) above;

**“Taxation Authority”** means any governmental or other authority whatsoever competent to impose any Taxation, whether in China, Hong Kong or elsewhere;

**“VAT”** means value added tax; and

**“Warranties”** means the warranties set out in clause 6 and Schedule 4 and **“Warranty”** means any of them.

- 1.2 Reference to any document as being **“in the agreed form”** means that it is in the form agreed between the Seller and the Purchaser and signed for the purposes of identification by or on behalf of the Seller and the Purchaser.
- 1.3 Where any statement is qualified as being limited by any person’s knowledge (for example, by using expressions such as **“so far as he is aware”**), that statement shall be deemed to be given to the best of his knowledge, information and belief after making due and careful enquiries.
- 1.4 The table of contents and headings and sub-headings are for convenience only and shall not affect the construction of this Agreement.
- 1.5 Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa, references to any gender shall include all other genders and references to any person (which shall be deemed to include the person’s successor) shall include bodies corporate (wherever incorporated), unincorporated associations, partnerships and statutory bodies as well as any legal or natural person.
- 1.6 The words **“other”**, **“include”** and **“including”** do not connote limitation in any way.
- 1.7 References to Recitals, Schedules, clauses and sub-clauses are to (respectively) recitals to, schedules to, and clauses and sub-clauses of, this Agreement and references within a Schedule to paragraphs are to paragraphs of that Schedule. References to this Agreement include a reference to each of the Schedules.
- 1.8 References in this Agreement to any statute, statutory provision, directive or other legislation include a reference to that statute, statutory provision, directive or legislation as amended, extended, re-enacted, consolidated or replaced from time to time (whether before or after the date of this Agreement) and include any order, regulation, instrument or other subordinate legislation made under the relevant statute, statutory provision, directive or legislation.
- 1.9 Any reference to **“writing”** or **“written”** includes faxes and any legible reproduction of words delivered in permanent and tangible form (but does not include e-mail).
- 1.10 References to times of the day are (unless otherwise expressly provided) to London time and references to a day are to a period of 24 hours running from midnight on the previous day.

## **2. Sale and purchase**

- 2.1 Subject to the terms of this Agreement, the Seller shall sell to the Purchaser the Shares and the Purchaser shall purchase the Shares accordingly.
- 2.2 The Shares shall be sold with the benefit of all rights attaching to them as at the date of this Agreement, including all dividends and distributions declared, paid or made by the Company on or after the date of this Agreement, but legal title to the Shares shall not transfer to the Purchaser until Completion.
- 2.3 The Purchaser shall not be obliged to complete the purchase of any of the Shares unless the purchase of all the Shares is completed simultaneously.
- 2.4 The Seller covenants that he has and will at Completion have the right to transfer the legal and beneficial title to the Shares and that they are and will at Completion be free from all Encumbrances.
- 2.5 The Seller waives all rights of pre-emption or similar rights over any of the Shares conferred on him either by the articles of association of the Company or in any other way.

## **3. Consideration and Signing**

- 3.1 The Shares shall be sold for the aggregate sum of US\$2,487,500, which shall be payable to the Seller upon Completion.
- 3.2 Within three Business Days of the date of this Agreement the Purchaser shall pay the Consideration and the Investment Amount into the Escrow Account.
- 3.3 The Escrow Account will be operated in accordance with the Escrow Account Mandate as regards the Escrow Amount and any sum standing to the credit of the Escrow Account and any interest accrued on the Escrow Amount will be dealt with in accordance with this Agreement.

## **4. Conditions and conduct of Business pending Completion**

- 4.1 Subject in each case to waiver in accordance with clause 4.2, Completion is subject to and conditional on:
- 4.1.1 due execution of contracts (including chop) between the Subsidiary and (a) the Administration of Social Security of the Ministry of Human Resources and Social Security, and (b) The National Technical Committee on Social Insurance of Standardization Administration of China (SAC/TC474) (both in Agreed Form); and
- 4.1.2 the receipt of approvals from the relevant Chinese authority for:
- (a) a change of the shareholder of the Subsidiary from CMDS to the Company; and
  - (b) increasing the Registered Capital of the Subsidiary by US\$7,840,000 or such amount as the Parties may otherwise agree; and
  - (c) increasing the Total Investment of the Subsidiary by US\$16,000,000 or such amount as the Parties may otherwise agree; and
  - (d) a change in the scope of business of the Subsidiary to the scope as agreed between the Parties;

4.1.3 the receipt of :

- (a) a new Foreign Invested Enterprise Certificate in relation to the Subsidiary from the relevant Chinese authority evidencing the approvals in clause 4.1.2 (a) and (d) above; and
- (b) a business licence in respect of the Subsidiary issued by the AIC following the approvals in clause 4.1.2 (a) and (d); and
- (c) a new Foreign Invested Enterprise Certificate in relation to the Subsidiary from the relevant Chinese authority evidencing the approvals in clause 4.1.2 (b) and (c) above; and
- (d) a business licence in respect of the Subsidiary issued by the AIC following the approvals in clause 4.1.2 (b) and (c); and

4.1.4 the execution of the CMDS SPA.

4.2 The Purchaser shall be entitled by notice in writing given to the Seller to waive (to such extent as it may think fit) compliance with the Conditions stated in clause 4.1 to the extent that the Seller agrees.

4.3 The Parties shall use all reasonable endeavours to procure that the Conditions are fulfilled as soon as practicable and in any event on or before the Conditions Precedent Date; and the Parties shall, as soon as it comes to their attention, disclose to the other in writing anything which will or may prevent any of the Conditions from being fulfilled in that time.

4.4 The Seller undertakes to the Purchaser that in the period between the date of this Agreement and the date of Completion (both dates inclusive):

4.4.1 he shall use his best endeavours to obtain approvals from the relevant Chinese authority for a change of name of the Subsidiary to:

“ 中国亚通医疗信息科技 (北京) 有限公司 ”

4.4.2 he shall use his best endeavours to preserve and retain the goodwill of the Business and existing relationships with customers and suppliers;

4.4.3 he shall keep the Purchaser promptly and fully informed in relation to the Business, and the financial position and/or assets of the Group; and

4.4.4 except as otherwise required in this Agreement, neither the Company nor the Subsidiary will (except with the written consent of the Purchaser) do, suffer or permit to be done or agree to do any of the matters referred to in Schedule 6 or anything else which is not of a routine or unimportant nature.

4.5 The Seller and the Purchaser undertake to each other than between the date of this Agreement and the date of Completion they shall use all reasonable endeavours to agree the form of:

4.5.1 service agreements to be executed and entered into by the Employees and the Subsidiary; and

4.5.2 an agreement between the Company and the Subsidiary for the Company's right to exploit and use any data collected by the Subsidiary pursuant to the Contracts in

consideration for US\$506,000, which shall be entered into by the Company and the Subsidiary on or around 1 June 2010 or such other time period as provided in clause 4.6 below.

- 4.6 If by 5pm on 31 May 2010 Condition 4.1.1 has been satisfied, but any other Condition is still outstanding, and as long as the contracts (in a form approved by Informa) pursuant to clause 4.5.2 have been entered into by the Company and the Subsidiary by that time, the Purchaser shall on 1 June 2010 advance US\$506,000 to the Company by way of loan notes, to be on substantially the same terms as the Loan Notes ("**Initial Loan Notes**"). If Condition 4.1.1 is satisfied after 5pm on 31 May 2010 but before the Conditions Precedent Date, and as long as the contracts (in a form approved by Informa) pursuant to clause 4.5.2 have been entered into by the Company and the Subsidiary, the Purchaser shall advance US\$506,000 to the Company by way of the Initial Loan Notes as soon as reasonably practicable after Condition 4.1.1 is fulfilled. The parties further agree to release the sum of US\$506,000 from the Escrow Account in order to satisfy the advance to the Company by way of the Initial Loan Notes, such amount to be deducted from the Investment Amount.
- 4.7 As soon as reasonably practicable following the satisfaction of Conditions 4.1.1, 4.1.2 (a) to (d), 4.1.3 (a) to (c) and 4.1.4 and in any event, within twenty five days of Condition 4.1.2 (b) and (c) being satisfied, Informa shall advance to the Company a sum equal to 20% of the increase in Registered Capital applied for under Condition 4.1.2(b) (the "**Agreed Amount**") to the Company by way of loan notes, to be on substantially the same terms as the Loan Notes ("**Second Loan Notes**"). The parties further agree to release the sum of the Agreed Amount from the Escrow Account in order to satisfy the advance to the Company by way of the Second Loan Notes, such amount to be deducted from the Investment Amount (in addition to any amount to be deducted pursuant to clause 4.6).
- 4.8 If by 5pm on the Conditions Precedent Date, the Conditions set out in clause 4.1.2(a) shall not have been satisfied (or waived by the Purchaser) but the other Conditions have been satisfied (Condition 4.1.3 having been satisfied to the extent applicable to Conditions 4.1.2 (b), (c) and (d)):
- 4.8.1 the CMDS SPA shall be rescinded or terminated (as appropriate);
- 4.8.2 this Agreement shall have no further force and effect and no Party shall have any liability in respect of it except as regards any antecedent breach and save that the following clauses shall continue to have effect 1, 4.8.1, 4.8.3, 8, 9, 10 and 11;
- 4.8.3 the Seller and the Purchaser shall as soon as reasonably practicable after the Conditions Precedent Date:
- (a) enter into and complete a sale and purchase agreement (on substantially the same terms as this Agreement, but with such amendments as may be necessary to make it compliant with the laws of the British Virgin Islands) for the sale and purchase of 50.1% of the issued share capital of CMDS;
- (b) enter into a shareholders' agreement on substantially the same terms as the Shareholders' Agreement, but with such amendments necessary as may be necessary to make it compliant with the laws of the British Virgin Islands;
- (c) procure that CMDS shall adopt Articles and Memorandum of Association substantially in the form of the New Articles but with such amendments as may be necessary to make them compliant with the laws of the British Virgin Islands; and

- (d) novate the Initial Loan Notes from the Company to CMDS and the Seller shall procure that CMDS and the Company enters into such novation.

4.9 If by 5pm on the Conditions Precedent Date, any of Conditions 4.1.1, 4.1.2(b), (c) and (d) and 4.1.3 (a), (b), (c) and (d) shall not have been satisfied (or waived by the Purchaser with the Seller's agreement);

4.9.1 the Parties hereby irrevocably agree that the Escrow Amount shall be released from the Escrow Account and paid to the Purchaser; and

4.9.2 this Agreement shall have no further force and effect and no Party shall have any liability in respect of it except as regards any antecedent breach and save that the following clauses shall continue to have effect 1, 4.9.1, 8, 9, 10 and 11.

4.10 The Parties hereby undertakes to each other that, other than with the consent of the other (not to be unreasonably withheld or delayed), they shall ensure that all the steps they are required to take in order to fulfil the Conditions will be taken in the order and as set out in the Steps Plan.

## **5. Completion**

5.1 Unless the Purchaser shall have rescinded the Agreement as permitted under clause 6.8, a completion meeting shall take place at the offices of the Seller's Solicitors on the fifth Business Day after the satisfaction of the Conditions (other than any which have been waived in accordance with this Agreement) or at such other place and/or time as the Parties may agree in writing.

5.2 At Completion:

5.2.1 the Seller shall perform his obligations and deliver to the Purchaser each of the documents as set out in Schedule 3;

5.2.2 the Parties shall (subject to clause 5.2.1) release the Consideration from the Escrow Account to the Seller's Account (who are irrevocably authorised to receive the same);

5.2.3 the Purchaser shall execute the Shareholders' Agreement and the Parties shall procure that the matters to take place on signing of that agreement in accordance with its terms shall be performed and the Parties shall procure that the Investment Amount (minus any amounts advanced to the Company pursuant to clause 4.6 and 4.7) is released from the Escrow Account to the Company or as the Company shall (with the consent of the Purchaser and the Seller) direct; and

5.2.4 the Parties shall direct that all interest earned on the Escrow Amount shall be paid to the Seller.

5.3 Notwithstanding Completion:

5.3.1 each provision of this Agreement (and any other document referred to in it) not performed at or before Completion but which remains capable of performance;

5.3.2 the Warranties (subject to Schedule 5); and

5.3.3 all covenants and other undertakings contained in or entered into pursuant to this Agreement

will remain in full force and effect and (except as otherwise expressly provided) without limit in time.

## **6. Warranties**

6.1 The Seller warrants, represents and undertakes to the Purchaser in the terms set out in Schedule 4 in relation to the Company and the Subsidiary subject to any matters Disclosed. Each of the Warranties shall be construed independently and (except as expressly otherwise provided) shall not be limited by reference to any other Warranty or by anything in this Agreement. Any matter set forth in any provision of the Disclosure Documents which is Disclosed shall also be deemed a disclosure to other Warranties to which the relevance of such disclosure is reasonably apparent on its face.

6.2 The Seller in relation to the Company and the Subsidiary warrants, represents and undertakes to the Purchaser that the Warranties will be true and accurate in all respects and not misleading at all times from the exchange of this Agreement up to and including Completion in all respects; provided, however, that any matter set forth in any provision of the Disclosure Documents which is Disclosed shall also be deemed a disclosure to other Warranties to which the relevance of such disclosure is reasonably apparent on its face:

6.2.1 as if they had been repeated on each such day by reference to the circumstances at the time of repetition; and

6.2.2 on the basis that a reference to the time of repetition were each time substituted for any express or implied reference to the time of this Agreement (but so that any period of time expressed to start at the date of this Agreement shall continue to be deemed to start then),

and references in this Agreement to the Warranties shall include them as so repeated.

6.3 Save as provided in clause 6.4, none of the Warranties shall be deemed in any way modified or discharged by reason of any investigation or inquiry made or to be made by or on behalf of the Purchaser. Save as provided in clause 6.4, no information relating to the Company or to the Subsidiary that has not been Disclosed but of which the Purchaser has knowledge (whether actual or constructive) shall prejudice any claim which the Purchaser shall be entitled to bring or shall operate to reduce any amount recoverable by the Purchaser under this Agreement.

6.4 At the time of entering into this Agreement, the Purchaser confirms to the Seller that Rachel Jacobs and Giles Catron are not actually aware (and there shall be no implication that any enquiry has been made into the relevant subject matter with any person) of any fact, matter, event or circumstance which would reasonably be expected to give rise to a claim under the Warranties.

6.5 The Seller undertakes to the Purchaser to waive any and all claims (including for negligence) that he might otherwise have against the Company, the Subsidiary and/or their respective officers, employees, agents and consultants or any of them in respect of any information that any such person has in any capacity supplied to them in connection with the Warranties and/or the information Disclosed.

6.6 The Seller accepts that the Purchaser has been induced to enter into this Agreement, and has entered into it, upon the basis of and in reliance upon the Warranties.

6.7 The Seller shall use all reasonable endeavours to ensure that it will not do or omit to do anything before Completion which would, at any time before or at Completion, be materially

inconsistent with any of the Warranties, breach any Warranty or make any Warranty untrue or misleading.

- 6.8 If at any time before or at Completion the Purchaser is actually aware that a Warranty will at Completion be breached or at Completion be untrue or misleading, in a material manner or the Seller has committed a material breach of its obligations under clause 4.4, the Purchaser (without prejudice to any other rights it may have in relation to the breach):
- 6.8.1 shall if the breach is capable of being remedied, notify the Seller that it has the greater of 10 Business Days or the period prior to the Completion Precedent Date to remedy such breach, and may if the Breach is not remedied within such period:
- (a) rescind this Agreement by written notice to the Seller; or
  - (b) proceed to Completion; or
- 6.8.2 may if the breach is not capable of being remedied:
- (a) rescind this Agreement by written notice to the Seller; or
  - (b) proceed to Completion.
- 6.9 The Purchaser undertakes, that if it is actually aware that a Warranty will at Completion be breached or be untrue or misleading and proceeds to Completion without informing the Seller of such actual knowledge, the Purchaser shall only be able to bring a claim for breach of that Warranty if that breach is reasonably likely to give rise to a claim exceeding US\$25,000.
- 6.10 The Seller hereby further accepts that the Purchaser or such other entity as the Purchaser may nominate shall make additional advances in a form to be determined by the Purchaser or any other entity it may nominate into either the Company or the Subsidiary (as provided for in the Shareholders' Agreement) upon the basis of and in reliance upon the Warranties and that the monetary limitation of liability in respect of any claims under the Warranties shall therefore be the aggregate amount which the Purchaser has invested and is obliged to invest in the Company.
- 6.11 The liability of the Seller in respect of any claim under the Warranties shall be limited as provided in Schedule 5 **BUT PROVIDED ALWAYS THAT:**
- 6.11.1 such limitations shall not apply in relation to the Warranties set out in paragraphs 1 and 3.8 of Schedule 4; and
- 6.11.2 notwithstanding any other provision of this Agreement, the provisions of this sub-clause 6.10 and Schedule 5 shall not apply to any claim made against the Seller in the case of any fraud, dishonesty, wilful misstatement or wilful omission by or on behalf of the Seller.
- 6.12 Subject to clause 6.12, the Seller hereby covenants to pay to the Purchaser an amount equal to any Liability for Tax of any Group Company:
- 6.12.1 which arises from income, profits or gains earned, accrued or received (or deemed to be earned, accrued or received) or attributable to any act, omission or transaction occurring (or deemed to have occurred) on or before Completion; or
- 6.12.2 for which the Group Company would not have been liable but for being treated as being or having been a member of the same group as or associated with any company at any time prior to Completion for the purposes of any Tax;

and all reasonable costs and expenses properly incurred and payable by the Group Company and the Purchaser in connection with any action taken to avoid any Liability for Tax.

6.13 The Seller shall have no liability under clause 6.11:

6.13.1 to the extent that such Liability for Tax arises from any act or transaction of the Group in the ordinary course of its trading since the Balance Sheet Date provided that the profits in question have not been distributed or otherwise withdrawn from the Group as at Completion; or

6.13.2 to the extent that provision or reserve in respect thereof is made in the Accounts; or

6.13.3 to the extent that such Liability for Tax arises or is increased as a result only of any change in law announced and coming into force after the date of Completion with retrospective effect or as a result of a change after Completion in any accounting policy of the Company (other than any change necessary to comply with the law or intended to bring the accounting policy into line with generally accepted accounting practice as at Completion).

6.14 The Seller hereby covenants to pay to the Purchaser an amount equal to any liability of any Group Company, other than those specifically noted in the Accounts, which arise prior to, or as a result of any action or inaction taken prior to Completion.

## **7. Further assurance**

7.1 The Parties shall, from time to time on being required to do so by each other, promptly and at the cost and expense of the Party being requested to take any action, do or procure the doing of all such acts and/or execute or procure the execution of all such documents in a form satisfactory to the other as the requesting Party may reasonably consider necessary for giving full effect to this Agreement (or to such parts of it as remain operative after termination) and securing to the other the full benefit of the rights, powers and remedies conferred upon the Parties in this Agreement; provided, however, that no Party shall be required to make any additional representations or warranties pursuant to this obligation.

## **8. Confidentiality; announcements**

8.1 The Seller undertakes with the Purchaser, and the Purchaser undertakes with the Seller, to keep confidential (except as expressly provided in this Agreement) at all times after the date of this Agreement, and not directly or indirectly reveal, disclose or use for his or its own or any other purposes, any confidential information received or obtained as a result of entering into or performing, or supplied by or on behalf of a Party in the negotiations leading to, this Agreement and which relates to:

8.1.1 the negotiations relating to this Agreement;

8.1.2 the subject matter and/or provisions of this Agreement; or

8.1.3 (in the Seller's case) the Purchaser or (in the Purchaser's case) the Seller.

8.2 The prohibition in sub-clause 8.1 does not apply if:

8.2.1 the information was in the public domain before it was furnished to the relevant Party or, after it was furnished to that Party, entered the public domain otherwise than as a result of (a) a breach by that Party of this clause or (b) a breach of a confidentiality obligation by the discloser, where the breach was known to that Party; or

8.2.2 disclosure is necessary in order to comply with applicable legislation, regulatory requirements or obtain tax or other clearances or consents from any relevant Taxation Authority,

provided that any such information disclosable pursuant to sub-clause 8.2.2 shall be disclosed (unless such consultation is prohibited by applicable law or regulatory requirements) only after consultation with the Purchaser or the Seller (as the case may be).

8.3 No Party shall make any press release or other public announcement in connection with any of the transactions contemplated by this Agreement except:

8.3.1 an announcement in the agreed form or in any other form agreed by the Purchaser and the Seller; or

8.3.2 any announcement required by any applicable law or regulatory requirements to which any Party is subject (including the London Stock Exchange plc) (provided that, unless such consultation is prohibited by legal or regulatory requirements, it is made only after consultation with the Purchaser or the Seller (as the case may be)).

## 9. Assignment

9.1 Neither Party may assign, transfer, charge or deal in any way with the benefit of, or any of their respective rights under or interest in, this Agreement, and any attempted assignment or delegation in violation of this provision shall be null and void, except in accordance with a prior written waiver given by the other Party. Notwithstanding the foregoing, the Purchaser may, without a prior written waiver of the Seller, assign all of the benefit and its rights under this Agreement (including under the Warranties) to any Affiliate of the Seller or to any purchaser; provided that the Purchaser remains liable for all of its obligations hereunder.

9.2 Notwithstanding the provisions of clause 8 but subject to the proposed assignee entering into an agreement in favour of the Company to keep such information confidential, the Purchaser may disclose to a bona fide proposed assignee information (including confidential information) in its possession relating to the provisions of this Agreement, the negotiations relating to this Agreement, the subject matter of this Agreement and the Seller to the extent it is reasonably required by the proposed assignee in connection with the proposed assignment.

9.3 This Agreement shall be binding upon and operate for the benefit of the personal representatives and permitted assigns and successors in title of each of the Parties and references to the Parties shall be construed accordingly.

## 10. General

10.1 No delay or omission by the Purchaser in exercising any right, power, privilege or remedy hereunder shall operate to impair such right, power, privilege or remedy or be construed as a waiver thereof and no single or partial exercise or non-exercise of any right, power, privilege or remedy shall in any circumstances preclude any further or other exercise thereof or the exercise of any other right, power, privilege or remedy. Any waiver of any right, power or remedy under this Agreement must be in writing and may be given subject to any conditions thought fit by the grantor.

10.2 No variation to this Agreement shall be of any effect unless it is agreed in writing and signed by or on behalf of each Party.

10.3 Each of the provisions of this Agreement is severable. Accordingly, if any such provision is or becomes invalid or unenforceable in any respect under the law of any jurisdiction that shall not

affect or impair the validity or enforceability in that jurisdiction of the other provisions of this Agreement (or of that or any provisions of this Agreement in any other jurisdiction) and the Parties will use all reasonable endeavours to negotiate in good faith with a view to replacing it with one or more provisions satisfactory to any relevant competent authority but differing from the replaced provision as little as possible.

- 10.4 Except as otherwise stated in this Agreement, each Party shall bear its own costs and expenses in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and all other agreements forming part of the transactions contemplated by this Agreement. Without prejudice to the generality of the foregoing, all stamp, transfer and registration taxes, duties and charges and all (if any) notarial fees payable in connection with the sale of Shares shall be payable by the Purchaser.
- 10.5 The Seller hereby undertakes to the Purchaser that neither the Company nor the Subsidiary has made, nor has it agreed to make any payments in relation to the negotiation, preparation, execution and carrying into effect of this Agreement and all other agreements forming part of the transactions contemplated by this Agreement.
- 10.6 Any sum payable by the Seller to the Purchaser under this Agreement shall be paid free and clear of any set-off, counterclaim, deduction or withholding whatsoever, save only as may be required by law. If any deduction or withholding is required by law to be made from any payment by the Seller under this Agreement or if, ignoring any Relief, the Purchaser is subject to Taxation in respect of any such payment, the Seller shall increase the amount of the payment by such additional amount as is necessary to ensure that the net amount received and retained by the Purchaser (after taking account of all deductions or any withholdings or other Taxation) is equal to the amount that it would have received and retained had the payment in question not been subject to any deductions or any withholdings or other Taxation.
- 10.7 This Agreement and any other documents required to be delivered or entered into at Completion under the terms of Schedule 3 constitute the whole and only agreement and understanding between the Parties in relation to the subject matter of this Agreement. Except in the case of fraud, all previous agreements, understandings, undertakings, representations, warranties and arrangements of any nature whatsoever between the Parties (or any of them) with any bearing on the subject matter of this Agreement are superseded and extinguished (and all rights and liabilities arising by reason of them, whether accrued or not at the date of this Agreement, are cancelled) to the extent that they have such a bearing.
- 10.8 This Agreement may be executed in any number of counterparts and by the Parties on different counterparts. Each counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same Agreement.
- 10.9 Nothing in this Agreement is intended to confer on any person any right to enforce any term of this Agreement which that person would not have had but for the Contracts (Rights of Third Parties) Act 1999.

## **11. Notices**

- 11.1 Any communication to be given in connection with the matters contemplated by this Agreement shall be in writing and shall either be delivered by hand or sent by first class pre-paid post or facsimile transmission. Delivery by courier shall be regarded as delivery by hand. Such communication shall be sent to the address of the relevant Party set out at the outset of this Agreement or the facsimile number set out below or to such other address or facsimile number as may previously have been communicated to the sending Party in accordance with this clause. Each communication shall be marked for the attention of the relevant person.

**Seller**

**Purchaser**

FAO: David Stern

FAO: General Counsel

Provided further that the Purchaser may serve any such communication on the Seller by service on the Seller's Solicitors.

11.2 A communication shall be deemed to have been served:

11.2.1 if delivered by hand at the address referred to above at the time of delivery;

11.2.2 if sent by first class pre-paid post to the address referred to in that sub-clause, at the expiration of two clear days after the time of posting; and

11.2.3 if sent by facsimile to the number referred to in that sub-clause, at the time of completion of transmission by the sender.

If a communication would otherwise be deemed to have been delivered outside normal business hours (being 9:30 a.m. to 5:30 p.m. on a Business Day) under the preceding provisions of this clause, it shall be deemed to have been delivered at the next opening of such normal business hours.

11.3 In proving service of the communication, it shall be sufficient to show that delivery by hand was made or that the envelope containing the communication was properly addressed and posted as a first class pre-paid letter or that the facsimile was despatched and a confirmatory transmission report received.

11.4 A Party may notify the other Parties of a change to its name, relevant person, address or facsimile number for the purposes of sub-clause 11.1 provided that such notification shall only be effective on the date specified in the notification as the date on which the change is to take place or if no date is specified or the date specified is less than 5 Business Days after the date on which notice is deemed to have been served, the date falling 5 Business Days after notice of any such change is deemed to have been given.

**12. Governing law**

12.1 This Agreement, and any non-contractual rights or obligations arising out of or in connection with it or its subject matter, shall be governed by and construed in accordance with English law.

**13. Disputes**

13.1 All and any disputes or differences arising out of or in connection with this Agreement, or its breach, termination or invalidity, shall be finally settled by arbitration pursuant to the LCIA Rules (in force at the time proceedings are commenced), which LCIA Rules are deemed to be incorporated by reference into this clause. The number of arbitrators shall be one who shall be appointed by the LCIA Court. The place and seat of arbitration shall be London, England and the language of the arbitral proceedings shall be English. The parties expressly exclude all rights of appeal to the extent that such exclusion may be validly made.

13.2 All and any awards of the arbitrators shall be made in writing and shall be final and binding on the Parties, who expressly exclude all and any rights of appeal from all and any awards, to the extent that such exclusion may be validly made. All and any awards of the arbitrators shall be

given by majority decision but if there is no majority the award shall be made by the presiding arbitrator alone.

13.3 The final award shall be made within six months from the appointment of the tribunal but, insofar as this is impractical, it shall be made as soon as possible after that.

13.4 The Parties agree to keep confidential to themselves and their legal and other professional advisers the existence and details of any proceedings pursuant to this clause, including their submissions and evidence and all and any awards (including their content, reasons and result) except to the extent that such documents or information are in the public domain or required by a legal duty to be disclosed or disclosure is reasonably necessary to protect or pursue a legal right or remedy.

**AS WITNESS** the hands of the Parties or their duly authorised representatives on the date first appearing at the head of this Agreement.

**Schedule 1**  
**Details of the Group**

**Part 1**  
**The Company**

Name:	China Medical Data Services Limited
Number:	1450156
Date of incorporation:	29 April 2010
Registered office:	Unit A10, 6/F., Wong's Building 33 Hung To Road, Kwun Tong, Kowloon, Hong Kong
Share capital:	5,010 A Ordinary Shares 4,990 B Ordinary Shares
Shareholders:	
- name:	David Stern
- Shares held:	501 A Ordinary Shares 499 B Ordinary Shares
Directors:	David Stern and Simon Joory
Secretary:	Metopro Associates Limited
Auditors:	None
Mortgages and Charges:	None
Subsidiaries:	中西亚通（北京）咨询有限公司 (Asia Gateway Limited (China))

**Part 2**  
**The Subsidiary**

Name: 中西亚通（北京）咨询有限公司 (Asia Gateway Limited (China))

Number: 110000410295147

Date of incorporation: 14 August 2006

Registered office:

中国北京市朝阳区建国路 89 号华贸中心 16 座 310 (310, Unit 16, China  
Centre Palace, 89 Jianguo Road, Chaoyang District, Beijing, China)

Equity holder:

- name: The Company

Business Scope: As at the date of this Agreement: Business consultancy, management consultancy, investment consultancy and economic information consultancy

Term of Existence: 20 years

Legal Representative: David Stern

Directors: David Stern

Mortgages and Charges: None

Subsidiaries: None

**Schedule 2  
Properties**

**Leases**

<b>(1) Property</b>	<b>(2) Date</b>	<b>(3) Term</b>	<b>(4) Parties</b>	<b>(5) Current yearly rent</b>
Room 310, Building 16, China Central Place, 89 Jianguo Road, Chaoyang District Beijing, China	14 June 2009	One year from 14 June 2009 to 13 June 2010.	Landlord: Li Hui  Tenant: Asia Gateway Ltd. (China)	CNY159,999.96

### **Schedule 3 Completion Obligations**

1. The Seller shall deliver to the Purchaser (or otherwise make available to the satisfaction of the Purchaser):
  - (a) an instrument of transfer of the Shares duly executed by the Seller in favour of the Purchaser or its nominee(s) together with the originals of any and all share certificates in respect of the Shares in the name of the Seller;
  - (b) sold notes in respect of the Shares duly executed by the Seller;
  - (c) the business licence of the Subsidiary showing the total investment amount and paid up capital;
  - (d) the statutory registers, memorandum and articles of association, the common seal, the rubber chop (if any), business registration certificates, the certificate of incorporation, shareholder resolutions and director's resolutions of the Company;
  - (e) the register of Directors & Members, the approval of Pre-registration of Company Name, Tax License, Change of Tax Registration certificate, Business License, Certificate of Approval for Foreign-Owned Enterprise, Foreign Currency Registration Certificate, Legal Entity Code License, Statistical Registration Certificate, Business Licence Original Duplicate, Shareholder Resolutions and Verification Report in respect of the Subsidiary
  - (f) statements from each of the banks at which the Company and the Subsidiary maintains an account of the amount standing to the credit or debit of all such accounts as at the close of business on the last Business Day before the Completion meeting;
  - (g) a written statement from the Company and the Subsidiary as at Completion detailing unrepresented cheques and other payments and receipts in transit (if any) which are not reflected in the bank statements referred to in paragraph 1(f);
  - (h) irrevocable powers of attorney in the agreed form executed by the Seller in favour of the Purchaser or its nominee(s) to enable the beneficiary (pending registration of the transfers of the Shares) to exercise all voting and other rights attaching to the Shares and to appoint proxies for this purpose;
  - (i) the Shareholders' Agreement duly executed by the Seller;
  - (j) the Letter of Appointment duly executed by the Seller;
  - (k) the executed CMDS SPA;
  - (l) a copy of the Accounts certified by the Seller in his capacity as a director of the Subsidiary to be a true and complete copy of the original Accounts;
  - (m) written confirmation from the Seller that the Company has been incorporated for less than a year and as such does not have any audited accounts; and
  - (n) the written resignation in the agreed form of Simon Joory as a director of the Company, to take effect from Completion.

2. In addition, the Seller shall cause a board meeting of the Company and the Subsidiary to be held at which:
  - (a) in the case of the Company only, the transfer of the Shares, the prompt registration of the stamped instrument of transfer in the registers of members and transfers of the Company, the cancellation of all share certificates in respect of the Shares in the name of the Seller and the issuance of a share certificate to the Purchaser in respect of the Shares will be approved;
  - (b) in the case of the Company only, the Company shall execute the Letter of Appointment;
  - (c) in the case of the Company only, the Company shall enter into a novation with CMDS with respect to the CMDS Loan Notes pursuant to clause 4.6; and
  - (d) such other business as the Purchaser may reasonably require in connection with this Agreement shall be conducted.
3. The Purchaser shall deliver to the Seller (or otherwise make available to the satisfaction of the Seller) confirmation of whether Rachel Jacobs or Giles Catron are as at the date of Completion, are actually aware (and there shall be no implication that any enquiry has been made into the relevant subject matter with any person) of any fact, matter, event or circumstance which would reasonably be expected to give rise to a claim under the Warranties.

## **Schedule 4**

### **General Warranties**

#### **1. Capacity**

- 1.1 The Seller has obtained all necessary consents and approvals in relation to the performance of this Agreement and, accordingly, has full power to enter into and perform this Agreement which constitutes (or will when executed constitute) binding obligations on the Seller in accordance with its terms.

#### **2. Information**

- 2.1 The information set out in Schedules 1 to 2 (inclusive) and all information contained in the Disclosure Documents is complete, true, accurate and not misleading in all material respects and all information which has been given to the Purchaser or its representatives or professional advisers by the Seller or by any director, officer or other official of any Group Company or by their respective professional advisers or other agents in the course of the negotiations leading to this Agreement was when given and is now complete, true and accurate in all material respects and not misleading. Insofar as any such information are matters of opinion or represent a forecast, intention or expectation, such opinions, forecasts, intentions or expectations (as appropriate) are honestly held or believed by the Seller and made on reasonable grounds.
- 2.2 The forecasts and projections in respect of the Company contained in the Business Plan were prepared in good faith and after diligent and careful consideration and enquiry and on the basis of assumptions which were and remain fair and realistic and none of the employees of the Company or the Subsidiary or the Company is now aware of any fact or matter which will, or is likely to, result in any of such forecasts or projections not being achieved.

#### **3. The Company/Group Structure**

- 3.1 The Company has not traded and, except pursuant to this Agreement and the Company's holding of shares in the Subsidiary, has no assets and has incurred no liabilities since its incorporation.
- 3.2 The copy of the constitutional documents of each Group Company which is included in the Disclosure Documents is true and complete in all material respects and each Group Company has at all times carried on its business and affairs in all respects in accordance with its memorandum of association (where relevant) and articles of association.
- 3.3 The Company and the Subsidiary have been duly incorporated and constituted under the laws of its place of incorporation and there has been no resolution, petition or order for the winding up of the Company or the Subsidiary and no receiver has been appointed in respect thereof or any part of the assets thereof nor are any such resolutions, orders and appointments imminent or likely.
- 3.4 No events or omissions have occurred whereby the constitution, subsistence or corporate status of the Company or the Subsidiary have been or are likely to be adversely affected.
- 3.5 The statutory books (including all registers and minute books) of each Group Company have been properly kept and contain an accurate and complete record of the matters which should be dealt with in those books in accordance with the legal requirements of the jurisdiction in which the Group Company is incorporated and, no notice or allegation that any of them is incorrect or should be rectified has been received and there are no circumstances which might reasonably be expected to lead to any such notice or allegation being served any Group Company.

- 3.6 All returns, particulars, resolutions and other documents required to be filed with or delivered to SAIC or the equivalent in Hong Kong by each Group Company have been correctly and properly prepared and so filed or delivered.
- 3.7 All dividends declared or due in respect of the Shares have been paid in full.
- 3.8 The Shares constitute 50.1% of the issued share capital of the Company and the Seller is the sole legal and beneficial owner of the Shares. The Shares are fully paid and non-assessable. There is no Encumbrance on, over or affecting any unissued shares, debentures or other securities of the Company and no person has the right (exercisable now or in the future and whether contingent or not) to call for the issue of any share or loan capital of the Company.
- 3.9 The shares in the Subsidiary are held by the Company free from all Encumbrances and with all rights attaching to them and no Group Company owns or has agreed to acquire any shares, loan capital or other securities (legally or beneficially) in any other company.
- 3.10 No Group Company:
- 3.10.1 is or has agreed to become a member of any partnership, joint venture, consortium or other unincorporated association other than a recognised trade association or any agreement or arrangement for sharing commissions or other income; or
- 3.10.2 has any branch, place of business or substantial assets outside Hong Kong or China or any permanent establishment (as that expression is defined in any relevant Order in Council made pursuant to section 788 TA 88) in any country or territory outside Hong Kong or China.
- 3.11 The registered capital of the Subsidiary has been fully paid by the Company in accordance with the Company Law of the People's Republic of China adopted by the Standing Committee of the National People's Congress in 2005.

#### **4. Accounts**

- 4.1 The Subsidiary's Accounts have been properly audited, have been prepared and presented in accordance with accounting practice and policies generally accepted in the jurisdiction in which the Subsidiary is incorporated, are consistent with the practice and policies adopted by the Subsidiary during the period since the Subsidiary's incorporation and ending on the Balance Sheet Date, comply with the requirements of the applicable laws and give a true and fair view of the assets, liabilities and the financial position of the Subsidiary as at the Balance Sheet Date.
- 4.2 Without prejudice to the contents of paragraph 4.1 above, the Subsidiary's Accounts make full provision or reserve for (or where appropriate disclose fully by way of note) all liabilities, contingent liabilities, bad and doubtful debts, obsolete or slow moving stock and depreciation; and do not include (and the profits of the Subsidiary for the period have not been affected to a material extent by) any unusual, extraordinary or non-recurring items of income or expenditure.
- 4.3 The Management Accounts of the Subsidiary have been properly prepared from the Subsidiary's accounting records and on a basis consistent with the fundamental accounting concepts, accounting bases and accounting policies adopted in the Subsidiary's Accounts and fairly and in all material respects state the assets, level of turnover, operating profit and liabilities of the Subsidiary as at 31 March 2010 and for the 3 month period then ended and (except as expressly disclosed therein) do not include any unusual, exceptional, non-recurring or extraordinary item of income or expenditure.

4.4 All accounts, books, ledgers, financial and other necessary records of whatsoever kind of the Subsidiary (including all invoices and other records required for VAT purposes) have been accurately maintained in accordance with the relevant provisions relating to such matters under Chinese law and are in the possession of the Subsidiary and contain true and accurate records of all matters (including those required to be entered in them by Chinese legislation) and no notice or allegation that any of them is incorrect or should be rectified has been received;

## **5. Trading**

5.1 The Subsidiary has not, other than pursuant to the leases set out in Schedule 2 and the employment contracts entered into by the Group traded and has no assets and has incurred no liabilities since its incorporation.

5.2 There are in force no powers of attorney given by any Group Company nor any other authority (express, implied or ostensible) given by any Group Company to any person to enter into any contract or commitment or do anything on its behalf (other than given to an officer of the Group Company, an employee or a patent or trademark agent, in each case in the ordinary course of the Business).

## **6. Transactions with the Seller, directors and Connected Persons**

6.1 There is not outstanding except as otherwise Disclosed and except as Purchaser has been made aware:

6.1.1 any indebtedness or other liability (actual or contingent) owing by any Group Company to the Seller or director of any Group Company or any Connected Person or owing to any Group Company by the Seller or director of any Group Company or any Connected Person; or

6.1.2 any guarantee or security for any such indebtedness or liability.

6.2 There is not outstanding, at the date of this Agreement, any agreement, arrangement or understanding (whether legally enforceable or not) to which any Group Company is a party and in which the Seller, director or former director of any Group Company or any Connected Person is or has been interested whether directly or indirectly.

6.3 No Group Company is a party at the date of this Agreement to any agreement or arrangement which is still in existence, that is not entirely of an arm's length nature.

6.4 Neither the Seller or any director or former director of any Group Company, nor any Connected Person, either individually or with any other person or persons, has any interest, directly or indirectly, in any business which has a trading relationship with any Group Company or (other than that now carried on by the relevant Group Company) which is or is likely to become competitive with any aspect of the business or the proposed business of any Group Company except as registered holder or other owner of any class of securities of any company if such class of securities is listed on any recognised investment exchange (as defined in the United Kingdom Financial Services and Markets Act 2000) and if such person (together with Connected Persons and Affiliates) holds or is otherwise interested in less than three per cent of such class of securities.

## **7. Finance**

7.1 No Group Company has borrowed any money whether from a bank or any other person or entity.

- 7.2 No Group Company has lent or agreed to lend any money which has not been repaid to it.
- 7.3 No grants have been made to any Group Company, and all outstanding applications for any such grant, have been Disclosed. No act or transaction has been effected in consequence of which any Group Company is or could be held liable to refund (in whole or in part) any such grant or in consequence of which any such grant for which application has been made by it will not or may not be paid or will or may be reduced.
- 7.4 No Group Company is responsible (including on a contingent basis) for the indebtedness of any other person nor subject to any obligation (whatever called) to pay, purchase or provide funds for the payment of, or as an indemnity against the consequence of default in the payment of, any indebtedness of any other person.

## **8. Environment/Health and Safety**

- 8.1 Each Property has been used, and each Group Company's business has been conducted, at all times in compliance with Environmental Laws and Health and Safety Laws.
- 8.2 No Group Company has received any notice, claim, demand or other communication in writing alleging any actual or potential breach of Environmental Laws or Health and Safety Laws from any applicable authority or individual and the Seller is not aware of any circumstances that might reasonably be expected to give rise to the service of any such notice, claim, demand or communication.

## **9. Assets of the Company**

- 9.1 Each Group Company has legal and beneficial title (free from any Encumbrance, hire or hire purchase agreement or leasing agreement or agreement for payment on deferred terms) to all assets of the relevant Group Company which (a) are included in the relevant Group Company's Accounts or (b) were at the Balance Sheet Date used or held for the purposes of its business or (c) have been acquired by the relevant Group Company since the Balance Sheet Date, and all such assets are in the possession and control of the relevant Group Company and are sited within the jurisdiction in which the relevant Group Company is incorporated.
- 9.2 No Group Company has acquired or agreed to acquire any material asset on terms that title does not pass to the relevant Group Company until full payment is made.

## **10. Insurance**

Particulars of all policies of insurance of each Group Company now in force have been Disclosed and such particulars are true and correct and all premiums due on such policies have been duly paid and all such policies are valid and in force. So far as the Seller and each Group Company is aware, there are no circumstances and there is no action which any Group Company has or has not taken in relation to a claim that would otherwise be payable under the policy which might lead to a repudiation of any such policy or which might lead to any liability under such insurance being avoided by the insurers in relation to a claim that would otherwise be payable under the policy or to the premiums being abnormally increased. Except as Disclosed, there is no claim outstanding under any such policies and so far as the Seller is aware there are no circumstances likely to give rise to such a claim.

## **11. Litigation**

- 11.1 No Group Company nor (in relation to any Group Company's affairs) any officer or employee of any Group Company is now engaged in any legal proceedings (including litigation, arbitration or any hearing before any tribunal or official body), no such proceedings are pending

and no Group Company has, in the last two years preceding the date of this Agreement, been involved in any such proceedings with any person who is or was a supplier or customer of importance to the relevant Group Company.

11.2 So far as the Seller is aware, there is no matter or fact in existence which might give rise to any legal proceedings involving any Group Company, including any which might form the basis of any criminal prosecution against any Group Company.

11.3 No Group Company is subject to any order or judgment given by any court, tribunal or governmental agency which is still in force and has not given any undertaking to any court or tribunal or to any third party arising out of any legal proceedings.

## **12. Licences and applicable legislation**

12.1 Each Group Company has all necessary material licences (including statutory licences), permits, consents and authorities (public and private) for the proper and effective carrying on of its business in the manner in which its business is now carried on and all such licences, permits, consents and authorities are valid and subsisting and the Seller knows of no reason why any of them is likely to be suspended, cancelled or revoked whether in connection with the sale to the Purchaser or otherwise and, so far as the Seller is aware, there are no factors that might in any way prejudice the continuance or renewal of any of those licences, permits, consents or authorities and no Group Company is restricted by contract from carrying on any activity in any part of the world.

12.2 In carrying on its business, each Group Company and in connection with its affairs, its officers and employees, have complied with all applicable legislation, statutes, regulations and codes of conduct and practice (other than codes of conduct and practice of private entities), has not received any written notice or allegation and is not subject to any investigation relating to any breach or alleged breach of the requirements of any legislation which is applicable to it and is not aware of any allegation of any circumstances which may give rise to any such notice, allegation or investigation. Each Group Company has at all times complied and is complying with the US Foreign Corrupt Practices Act 1977 and all other applicable anticorruption laws and regulations.

12.3 So far as the Seller is aware, not having made any specific enquiries, no Group Company is subject to or bound by any codes of conduct and practice.

## **13. Contracts**

13.1 Complete and accurate copies of all contracts to which each Group Company is a party have been Disclosed.

13.2 The terms of all contracts of each Group Company have been complied with by the relevant Group Company and so far as the Seller is aware by the other parties to the contracts in all material respects and there are no circumstances likely to give rise to a default by any Group Company or (so far as the Seller is aware) by the other parties under any such contract.

13.3 No Group Company has any knowledge of the invalidity of or grounds for rescission, avoidance or repudiation of any agreement or other transaction to which any Group Company is a party and has received no written notice of any intention to terminate, repudiate or disclaim any such agreement or other transaction.

13.4 No Group Company is a party to any subsisting agency or distributorship agreement.

## **14. Employees**

- 14.1 The Disclosure Documents incorporate a complete and accurate schedule of all employees and workers of each Group Company including details of the date on which they commenced continuous employment with the relevant Group Company and all remuneration payable and other benefits provided or which the relevant Group Company is bound to provide to each such person (including profit sharing, incentive, bonus, severance and share option arrangements to which the relevant Group Company is a party, whether legally binding or not), such schedule shall not include the names of the employees or workers. In addition, the Disclosure Documents contain complete copies of all standard terms of employment, staff handbooks and other statements or documents containing the terms of employee and worker emoluments and benefits (including bonus schemes, incentive and profit sharing arrangements).
- 14.2 Each Group Company has maintained current and adequate records regarding the service, terms and conditions of employment of each of its employees and workers.
- 14.3 No Group Company has in existence nor is it proposing to introduce, and none of its directors, officers, employees or workers participates in (whether or not established by the relevant Group Company), any employee share trust, share incentive scheme, share option scheme or profit sharing scheme for the benefit of all or any of its present or former directors, officers, employees or workers or the dependants of any of such persons or any scheme under which any present or former director, officer, employee or worker of any Group Company is entitled to a commission or remuneration of any other sort calculated by reference to the whole or part of the turnover, profits or sales of any Group Company or any other person, firm or company.
- 14.4 No Group Company nor any of its employees or workers is involved in any employment or industrial dispute, no dispute exists or can reasonably be anticipated between any Group Company and its employees or workers or any trade union, works council or staff association or other body representing employees or workers or a substantial number of them and, so far as the Seller is aware, there are no wage or other claims outstanding against any Group Company by any person who is now or has been a director, officer, employee or worker of any Group Company.

## **15. Pension Schemes**

- 15.1 No Group Company is or has been a party to any agreement or arrangement for the provision of pensions, allowances, lump sums or other like benefits on retirement, death or long term ill health for the benefit of any current or former employee of any Group Company or their dependants nor has any Group Company provided or promised to provide any ex-gratia pensions, lump sums or like benefits for any current or former employees of any Group Company or dependants thereof. In particular, there is no obligation to pay contributions to any personal pension scheme in respect of any employee.

## **16. Intellectual Property and Information Technology**

- 16.1 Complete and accurate particulars of all Relevant IP are set out in the Disclosure Letter.
- 16.2 The Group does not require any Intellectual Property other than the Intellectual Property set out in the Disclosure Letter in order to carry on the Business as at the date of this Agreement.
- 16.3 A Group Company is the sole beneficial owner of all Relevant IP other than Intellectual Property used or exploited by any Group Company under licence from a third party.
- 16.4 So far as the Seller is aware, there is no current or anticipated infringement by any third party of any Intellectual Property owned or used by the Group.

- 16.5 No Intellectual Property owned or licensed by any Group Company, and so far as the Seller is aware, no activities of the Group have infringed, infringe or are likely to infringe the Intellectual Property of any third party.
- 16.6 So far as the Seller is aware all IT Systems are in good working order and are being, properly and regularly maintained and replaced.
- 16.7 No third party agreements or consents are required to enable the Group to continue such access and use following Completion other than "shrink-wrap" or "click-wrap" or similar widely available end-user license agreements for generally commercially available software.
- 16.8 All domain names of the Group are set out in the Disclosure Letter, and a Group Company is the registrant and beneficial owner of the domain names.
- 16.9 All websites operated by any Group Company have been created or developed by the Group or pursuant to contracts that vest the legal and beneficial ownership of all copyright and all other Intellectual Property in such websites in a Group Company and, so far as the Seller is aware, the content of the websites does not infringe the Intellectual Property Rights of any third party.
- 17. Properties**
- 17.1 The Properties comprise all the land owned, controlled, used or occupied by each Group Company, and all the estates, interests or rights vested in each Group Company relating to any land, at the date of this Agreement.
- 17.2 No Group Company has any liability (whether actual, contingent or otherwise) as tenant, assignee, guarantor, covenantor or otherwise arising from or relating to any estate, interest or right in any land other than the Properties.
- 17.3 Any Letting Documents to which any Property is subject are referred to in Schedule 2. Otherwise, a Group Company is in actual occupation of each of the Properties on an exclusive basis and, except by virtue of the Letting Documents, no person, other than a Group Company, has any right (actual or contingent) to possession, occupation or use of or interest in the Properties.
- 17.4 There is no outstanding order, notice or other requirement of any local or other authority affecting the Property or involving expenditure in compliance with it nor any circumstances which may result in any such order or notice being made or served.
- 17.5 Each relevant Group Company has complied in all material respects with all laws, regulations, restrictions, covenants and obligations (including all covenants binding the relevant Group Company contained in any Lease or Letting Document) relating to the Property, no Group Company has received any notice or allegation of any breach of such laws, regulations, restrictions, covenants or obligations from any person and there are no circumstances likely to give rise to the service of any such notice or allegation.
- 17.6 In relation to each Property where the relevant Group Company's tenure is leasehold:
- 17.6.1 Any consents required for the grant of or under the covenants contained in the Lease have been obtained.
- 17.6.2 The last instalment of rent was paid to and was accepted by the landlord or its agents without qualification.

17.6.3 All steps in rent reviews have been duly taken and no rent reviews are or should be currently under negotiation or the subject of a reference to an expert or arbitrator or the courts and, where appropriate, evidence of the agreement or determination of the current rent has been placed with the documents of title.

**18. Insolvency**

- 18.1 No Group Company has stopped payment of its debts, entered into any scheme of arrangement or voluntary arrangement with any of its creditors, or is insolvent or unable to pay its debts as defined by section 178 Companies Ordinance (Cap.32 of the laws of Hong Kong) or the Enterprise Bankruptcy Law of China adopted by the Standing Committee of the National People's Congress in 2006 and no order has ever been made or petition presented or resolution passed for the winding up of any Group Company and no distress, execution or other process has ever been levied on any of its assets or any analogous proceedings in any jurisdiction in which a Group Company is registered.
- 18.2 No administrative or other receiver has been appointed by any person over the whole or any part of the business or assets of any Group Company, nor has any petition been presented or application made for the appointment of an administrator in respect of any Group Company or any analogous proceedings in any jurisdiction in which a Group Company is registered.
- 18.3 There are no circumstances which would entitle any person to present a petition for the winding up of any Group Company, to appoint an administrator in respect of any Group Company or to appoint an administrative or other receiver over the whole or any part of any Group Company's undertaking or assets or any analogous proceedings in any jurisdiction in which a Group Company is registered.

**Schedule 5**  
**Limitation of Seller's liability**

1. The Seller shall not be liable under the Warranties if and to the extent that:
  - 1.1 the facts or circumstances which might result in a claim or possible claim under the Warranties have been Disclosed; or
  - 1.2 a provision or reserve in respect of the subject of the claim was made in the Accounts.
2. The liability of the Seller in respect of any claim under the Warranties shall not exceed an amount equal to the aggregate of:
  - (a) US\$8,000,000;
  - (b) all legal and other costs of recovery incurred by or on behalf of the Purchaser in connection with any such claims; and
  - (c) any interest or penalty, or any amount in respect of any interest or penalty, which the Seller may agree or be ordered to pay to the Purchaser.
3. The liability of the Seller in respect of any claim under the Warranties shall cease after:
  - 3.1.1 in the case of any claim the subject matter of which relates to Taxation, the seventh; and
  - 3.1.2 in the case of any other claim, the third,  
anniversary of Completion, except in respect of matters which before that period expires have been the subject of a bona fide written claim made by or on behalf of the Purchaser to the Seller.
4. If the Purchaser considers that it will or is likely to make a claim against the Seller under the Warranties, it shall notify the Seller of such claim, and if such breach of the Warranties is capable of remedy, shall afford the Seller the opportunity to take steps to remedy the matter giving rise to such claim for a period of 60 days after such notification, unless such period for remedy would be reasonably likely to have an adverse effect on the Business.

## **Schedule 6**

### **Conduct of Business Pending Completion**

In the period up to Completion, none of the following is to be done, suffered, permitted or agreed to be done by or in relation to the Company and/or the Subsidiary:

1. no Group Company shall allot or issue any shares;
2. no Group Company shall amend the Business Plan or adopt a new Business Plan and no Group Company shall (so far as the same lies within its control) either depart from any of the general strategies, policies or plans laid down thereby or make any material expenditure or incur any material liabilities which are not contemplated therein or are in excess of those contemplated thereby;
3. no Group Company shall create or issue or allow to come into being any mortgage, charge, lien or other encumbrance (save for liens arising in the ordinary course of business) upon the whole or any part of its undertaking, property or other assets or uncalled capital or revenue or create or issue any debenture or debenture stock;
4. no Group Company shall:
  - 4.1 borrow or lend any material loan or advance, guarantee, indemnity or surety contract, inter-corporate loans and investments or guarantees/security; or
  - 4.2 shall sell, assign, factor, discount or otherwise dispose of all or any of its debts or any interest therein;
5. no Group Company shall acquire or agree to acquire any fixed or capital asset or make or agree to make any capital expenditure except for individual items not in excess of US\$100,000;
6. no Group Company shall enter into, amend or terminate any contract with an annual value exceeding US\$100,000;
7. no Group Company shall acquire, dispose of or agree to acquire or dispose of any, or any interest in, real property;
8. no Group Company shall commence any legal proceedings for amounts exceeding US\$50,000;
9. no Group Company shall vary or permit any variation in its issued share capital or its capital structure, modify or vary the rights attaching to any class of its shares or grant any options or other like rights to acquire any shares or securities convertible into shares or make any payment to any person (whether or not a member) for giving up his right to any such share capital, options or other like rights;
10. no Group Company shall establish any pension, bonus, profit sharing or other incentive scheme or plan for directors and/or employees;
11. no Group Company shall alter its memorandum or articles of association or, in the case of any overseas subsidiary, its equivalent document(s);
12. no Group Company shall take any steps to have any Group Company wound up;
13. no Group Company shall sell, transfer, lease, assign, grant any licence in respect of, or otherwise dispose of, the whole or any part of its undertaking, property or other assets (whether

by one transaction or a series of transactions whether related or not) or any interest therein other than the sale of current assets in the ordinary course of business;

14. no Group Company shall sell, transfer or otherwise dispose of any subsidiary or associated company or any shares, securities convertible into shares or any rights to acquire shares or securities so convertible or any other interest therein;
15. no Group Company shall give any guarantee or indemnity other than in the ordinary course of business;
16. no Group Company shall enter into any transaction or series of transactions which if the Group Company were incorporated in England and Wales would require approval under sections 190 to 196 (inclusive) Companies Act 2006 or which, if the share capital of the company were then listed on the Official List of the UK Listing Authority, would constitute a Class 1 transaction or a related party transaction (as defined in the Listing Rules sourcebook of the Financial Services Authority's Handbook);
17. no Group Company shall subscribe for, purchase or otherwise acquire any shares, debentures, debenture stock, mortgages or securities or interest in any other person;
18. no Group Company shall incorporate or otherwise set up or acquire any subsidiary or associated company or new business or any interest therein or, other than in the ordinary course of business, acquire or dispose of any material assets;
19. no Group Company shall make any material change in the nature of its business;
20. no Group Company shall enter into any agreement or other arrangement otherwise than in the ordinary course of business and on an arm's length basis;
21. no Group Company shall change any auditor or its accounting reference date or its accounting policies or prepare, or cause to be prepared, any accounts (including management accounts);
22. no Group Company shall, in relation to the Executive and any key employee as is referred to in paragraph 23 below, agree to or accept any variation, in his terms of employment (including any increase or extension of salary, pension contributions, benefits in kind or other emoluments), give any such consent (if any) as is referred to in his service agreement or other contract of employment, waive, or agree to take no action in respect of, any material breach by any such person of his service agreement or other contract of employment or terminate the employment of any such person;
23. no Group Company shall employ or agree to employ or engage as a consultant:
  - 23.1 any senior executive (being an employee or consultant whose emoluments and pension benefits or consultancy fees and other benefits, as applicable, shall be at an annual rate in excess of US\$100,000); or
  - 23.2 any person on terms such that such employment or consultancy may not lawfully be terminated by such Group Company without compensation upon six months' notice or less;
24. the Company shall not make any determination or pass any resolution pursuant to articles 4, 5 or 6 of the New Articles or agree any fair value for any Share pursuant to article 5.6 of the New Articles;

25. no Group Company shall pass any resolution for reducing its share capital or the amount (if any) for the time being standing to the credit of its share premium account or capital redemption reserve or for reducing any uncalled liability in respect of partly paid shares;
26. no Group Company shall purchase or redeem any shares;
27. no Group Company shall transfer any profits to reserves or otherwise take any action which will or may reduce the amount of its profits available for distribution;
28. no Group Company, in carrying on its business, shall use nor permit the use of, in any manner whatever, the name Informa or any other name suggesting an affiliation therewith;
29. no Group Company shall use the company seal of the Company;
30. no Group Company shall use the company seal of the Subsidiary for any documents or agreements with a value exceeding US\$10,000.

**Schedule 7  
CMDS SPA**

**Schedule 8  
Business Plan**

**Schedule 9  
Management Accounts**

Signed by **DAVID STERN**

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Signed by .....

for and on behalf of

**INFORMA PLC**

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Director/Duly Authorised Signatory

Signed by **DAVID STERN**

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Signed by *JOHN BURTON*.....  
for and on behalf of  
**INFORMA PLC**

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Director/Duly Authorised Signatory

## DISCLOSURE LETTER

30 April, 2010

To: Informa plc

Dear Sirs:

**Re: The Agreement for the sale and purchase of 50.1% of the issued share capital of China Medical Data Services Limited (the "Agreement")**

We refer to the Agreement to be entered into by and between David Stern, of 152 Grosvenor Road, London S W I V 3JL (the "Seller"), and Informa plc, a company registered in Switzerland under number 102786 whose registered office is Gubelstrasse 11, CH-6300 Zug, Switzerland (the "Buyer"), relating to the sale by the Seller of the Shares (as defined in the Agreement) held by the Seller to the Buyer in China Medical Data Services Limited, a company registered in Hong Kong under number 1450156 whose registered office is at Unit A10, 6/F., Wong's Building, 33 Hung To Road, Kwun Tong, Kowloon, Hong Kong (the "Company").

The information set out in this letter constitutes the Disclosure Letter as referred to and defined in Clause 1.1 of the Agreement.

Words and phrases defined in the Agreement shall, when used in this Disclosure Letter, have the same respective meanings as in the Agreement (unless the context otherwise requires) and the principles of interpretation contained in the Agreement shall apply in this Disclosure Letter. References in this Disclosure Letter to Clauses and paragraph headings, unless the context otherwise requires, shall be to those Clauses contained in the Agreement and paragraph headings shall be those contained in Schedule 4 of the Agreement.

The information disclosed in the Disclosure Letter constitutes formal disclosures (the "Disclosures") to the Buyer, for the purposes of the Agreement, of the facts and circumstances which are or may be inconsistent with the representations and warranties referred to in Clause 6 and contained in Schedule 4 of the Agreement (collectively, the "Warranties"), and such Warranties are expressly made subject to such disclosures to the extent that they are Disclosed.

The Disclosures apply to each of the Warranties and the Buyer agrees that it shall not be entitled to claim that any fact, matter or circumstance has not been disclosed to it by reason of any Disclosure not being specifically related to any particular Warranty provided that it constitutes Disclosure in respect of each of the Warranties to which it is relevant. Accordingly, the Disclosures shall apply to all the Warranties and a Disclosure shall not be limited in any way to a specific Warranty.

The Seller make no representations or warranties, express or implied, nor accepts any other liability in contract, tort or otherwise, with respect to the information contained in this Disclosure Letter except as provided in the Agreement. The disclosure of any matters, information or documents hereby shall not be taken to mean that:

- (a) such matters, information or documents are required to be disclosed by virtue of the Agreement;
- (b) any representations, warranties or undertakings not expressly given in the Agreement shall be implied; or

- (c) any representations, warranties or undertakings which have been expressly given in the Agreement shall be deemed extended in scope.

Where any conflict arises between the contents of any document provided the Buyer for Disclosure purposes in relation to the transactions contemplated in the Agreement and the information contained in this Disclosure Letter, the information contained in this Disclosure Letter shall prevail and the Seller shall not be under any liability in respect of any such inconsistency.

**General Disclosures**

The disclosures made in this Disclosure Letter shall include and be deemed to include all of the information contained in:

- (1) the express provisions and the contents of the Agreement (including its recitals and schedules) and the other transaction documents, and all of the transactions to be implemented pursuant to the Agreement;
- (2) the Accounts, including the notes to those Accounts and to the auditors' and directors' reports on those accounts;
- (3) excerpts from registers maintained by, and shareholder and board minutes of, the Group Companies (to the extent they have been Disclosed);
- (4) the memorandum and articles of association (or equivalent constitutional documents) of each of the Group Companies (to the extent they have been Disclosed);

Where there are Disclosed in or by virtue of this Disclosure Letter any documents which are in a language other than English, such fact shall not of itself render a Disclosure unfair.

**Specific Disclosures**

In addition, and without prejudice to the general disclosures set out in this Disclosure Letter, the following specific disclosures are also made. For convenience, each matter Disclosed is listed against the paragraph number of the Warranty given by the Seller in Schedule 4 to the Agreement to which the Disclosure is most likely to relate but a Disclosure applies to all of the Warranties given by the Seller to which it is or may be appropriate and a Disclosure is not limited in any way to the specific Warranty to which it refers below:

SPA Warranty No.	Disclosure
1.1	The execution of this Agreement and the completion of the transactions contemplated therein, including the Shareholders' Agreement and New Articles, will require the Group Companies to obtain certain approvals and licences as set out in the Agreement.
2.1	<p>The Seller has relied third party agents and accountants of the Group Companies with respect to the preparation of certain information and documents in the Disclosure Documents. The Seller is not aware of any inaccuracies or misleading information prepared by such third parties.</p> <p>The Seller has provided copies of its material written agreements in the Disclosure Documents but will undertake prior to Completion to provide copies of immaterial agreements such as agreements for telecom services and accounting services. The Seller also will undertake to provide a copy of its internal employment guideline prior to Completion.</p>

SPA Warranty No.	Disclosure
3.1	<p>The Company does not hold shares in the Subsidiary as of the date of this Agreement. The shares in the Subsidiary are held by China Medical Data Services Limited, a company registered in the British Virgin Islands under number 1524823 ("CMDS BVI"). The Seller anticipates that a Purchase Contract between CMDS BVI and the Company for the purchase and sale of 100% of the issued shares of Asia Gateway Limited (China), a company registered in China under number 110000410295147 (the "Subsidiary") will be executed once finalized and in Agreed Form with the Purchaser. In addition to the Purchase Contract the Company will issue a Note payable to CMDS BVI in the principal amount of US \$500,000 plus interest</p> <p>The Company does not yet have a bank account. Once the bank account is opened, then the Seller will be able to fully pay the Company for the Shares.</p>
3.8	<p>The Shares are not fully paid and non-assessable. The Company does not yet have a bank account. Once the bank account is opened, then the Seller will be able to fully pay the Company for the Shares.</p>
3.9	<p>The Seller does not hold the shares in the Subsidiary as of the date of this Agreement. The shares in the Subsidiary are held by CMDS BVI. The Seller anticipates that a Purchase Contract between CMDS BVI and the Company for the purchase and sale of 100% of the issued shares of the Subsidiary will be executed once finalized and in Agreed Form with the Purchaser. In addition to the Purchase Contract the Company will issue a Note payable to CMDS BVI in the principal amount of US \$500,000 plus interest</p>
3.10.1	<p>The Subsidiary is required to be a member of the Chaoyang District Trade Union, a subsidiary of All China Federation of Trade Unions in China</p>
3.11	<p>The Seller has undertaken to determine whether the registered capital of the Subsidiary has been fully paid by the Company. At this time, the Seller has not been able to determine whether the registered capital has been fully paid and therefore cannot warrant that it has been.</p>
4.2	<p>The Subsidiary has outstanding loan agreements with Asia Gateway Ltd (UK). Those agreements are as follows:</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated May 15, 2006 in the principal amount of US \$57,000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated October 15, 2006 in the principal amount of Euro 14,0000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated December 31, 2006 in the principal amount of US \$26,000</p>
5.1	<p>The Subsidiary has traded as a consultancy pursuant to various agreements</p>

<b>SPA Warranty No.</b>	<b>Disclosure</b>
	<p>and has entered into other agreements in the ordinary course of business, such as agreements with accountants, agents, IT support service, China Tietong Telecommunication, China Telecom, for HR management service, green plants renting, and for housekeeping service. It also has entered into the Tenancy Agreement, dated April 16, 2009, between Li Hui and Asia Gateway Ltd (China) for the Subsidiary's office space. Please see the agreements that have been Disclosed. The Seller has provided copies of its material written agreements but will undertake prior to Completion to provide copies of immaterial agreements such as agreements for telecom services and accounting services.</p> <p>These agreements are assets of the Subsidiary and may contain liabilities with respect to obligations of the Subsidiary. In addition, the Subsidiary's assets also consist of certain licences that have been Disclosed, and the fixed assets listed in the Accounts consisting of furniture, four (4) PCs, one (1) projector, one (1) printer/scanner, telephone switchboard and network equipments, seven (7) monitors, and one (1) safe.</p> <p>The Subsidiary has outstanding loan agreements with Asia Gateway Ltd (UK). Those agreements are as follows:</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated May 15, 2006 in the principal amount of US \$57,000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated October 15, 2006 in the principal amount of Euro 14,0000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated December 31, 2006 in the principal amount of US \$26,000</p>
5.2	<p>Power of attorney granted to Beijing Mason in connection with business licence registration agency services</p> <p>Power of attorney granted to Baililai International Group (HK) Limited from the Company and the Subsidiary in connection with business licence registration agency services</p> <p>Power of attorney granted to Ms Zhao Zhenling, the external accountant</p> <p>The Group Companies may have granted powers of attorney in connection with opening bank accounts.</p> <p>Power of attorney granted to Metopro Associates Limited in connection with registration agency services.</p>
6.1.1	<p>The Seller anticipates that a Purchase Contract between CMDS BVI and the Company for the purchase and sale of 100% of the issued shares of the Subsidiary will be executed once finalized and in Agreed Form with the Purchaser. In addition to the Purchase Contract the Company will issue a</p>

SPA Warranty No.	Disclosure
	<p>Note payable to CMDS BVI in the principal amount of US \$500,000 plus interest. Until such time as the Company pays the Note issued by the Company to CMDS BVI has been paid in full, CMDS BVI may have an Encumbrance over 100% of the shares of the Subsidiary sold by CMDS BVI to the Company pursuant to the Purchase Contract</p> <p>The Subsidiary has outstanding loan agreements with Asia Gateway Ltd (UK). Those agreements are as follows:</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated May 15, 2006 in the principal amount of US \$57,000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated October 15, 2006 in the principal amount of Euro 14,0000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated December 31, 2006 in the principal amount of US \$26,000</p>
6.2	<p>Asia Gateway Ltd, a United Kingdom company executed a transfer agreement in favor of CMDS BVI in order to transfer 100% of the issued shares of the Subsidiary to CMDS BVI. A copy of such transfer document has not been located</p> <p>The Seller anticipates that a Purchase Contract between CMDS and the Company for the purchase and sale of 100% of the issued shares of the Subsidiary will be executed once finalized and in Agreed Form with the Purchaser. In addition to the Purchase Contract the Company will issue a Note payable to CMDS BVI in the principal amount of US \$500,000 plus interest. Until such time as the Company pays the Note issued by the Company to CMDS BVI has been paid in full, CMDS BVI may have an Encumbrance over 100% of the shares of the Subsidiary sold by CMDS BVI to the Company pursuant to the Purchase Contract</p> <p>The Subsidiary has outstanding loan agreements with Asia Gateway Ltd (UK). Those agreements are as follows:</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated May 15, 2006 in the principal amount of US \$57,000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated October 15, 2006 in the principal amount of Euro 14,0000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated December 31, 2006 in the principal amount of US \$26,000</p> <p>The Subsidiary has entered into various short-term agreements with companies that are affiliated with David Stern</p>

SPA Warranty No.	Disclosure
6.3	<p>Asia Gateway Ltd, a United Kingdom company executed a transfer agreement in favor of CMDS BVI in order to transfer 100% of the issued shares of the Subsidiary to CMDS BVI. A copy of such transfer document has not been located</p> <p>The Seller anticipates that the Purchase Contract between CMDS and the Company for the purchase and sale of 100% of the issued shares of the Subsidiary will be executed once finalized and in Agreed Form with the Purchaser. In addition to the Purchase Contract the Company will issue a Note payable to CMDS BVI in the principal amount of US \$500,000 plus interest. Until such time as the Company pays the Note issued by the Company to CMDS BVI has been paid in full, CMDS BVI may have an Encumbrance over 100% of the shares of the Subsidiary sold by CMDS BVI to the Company pursuant to the Purchase Contract</p> <p>The Subsidiary has outstanding loan agreements with Asia Gateway Ltd (UK). Those agreements are as follows:</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated October 15, 2006 in the principal amount of Euro 14,0000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated December 31, 2006 in the principal amount of US \$26,000</p> <p>The Subsidiary has entered into various short-term agreements with companies that are affiliated with David Stern</p>
7.1	<p>The Subsidiary has outstanding loan agreements with Asia Gateway Ltd (UK). Those agreements are as follows:</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated May 15, 2006 in the principal amount of US \$57,000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated October 15, 2006 in the principal amount of Euro 14,0000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated December 31, 2006 in the principal amount of US \$26,000</p> <p>The Seller anticipates that a Purchase Contract between CMDS and the Company for the purchase and sale of 100% of the issued shares of the Subsidiary will be executed once finalized and in Agreed Form with the Purchaser. In addition to the Purchase Contract the Company will issue a Note payable to CMDS BVI in the principal amount of US \$500,000 plus interest. Until such time as the Company pays the Note issued by the Company to CMDS BVI has been paid in full, CMDS BVI may have an</p>

SPA Warranty No.	Disclosure
	Encumbrance over 100% of the shares of the Subsidiary sold by CMDS BVI to the Company pursuant to the Purchase Contract
7.2	<p>The Subsidiary has outstanding loan agreements with Asia Gateway Ltd (UK). Those agreements are as follows:</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated May 15, 2006 in the principal amount of US \$57,000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated October 15, 2006 in the principal amount of Euro 14,0000</p> <p>Loan Agreement between Asia Gateway Ltd (UK) as Lender and the Subsidiary as Borrower dated December 31, 2006 in the principal amount of US \$26,000</p> <p>The Seller anticipates that a Purchase Contract between CMDS and the Company for the purchase and sale of 100% of the issued shares of the Subsidiary will be executed once finalized and in Agreed Form with the Purchaser. In addition to the Purchase Contract the Company will issue a Note payable to CMDS BVI in the principal amount of US \$500,000 plus interest. Until such time as the Company pays the Note issued by the Company to CMDS BVI has been paid in full, CMDS BVI may have an Encumbrance over 100% of the shares of the Subsidiary sold by CMDS BVI to the Company pursuant to the Purchase Contract</p>
7.3	The Subsidiary received a service contract from Renmin University of China (RUC) for implementing the training programme. The grant was jointly applied between RUC and Michigan State University to Department of States of US. Service fee and expenditures for taking out such services have been compensated by RUC. Total is 32,030 USD (according to the contract value)
9.1	<p>The Property is leased pursuant to the Tenancy Agreement, dated April 16, 2009, between Li Hui and Asia Gateway Ltd (China)</p> <p>Employees of the Subsidiary use 3 laptops that are owned by a third party</p> <p>The laptops used by the employees of the Subsidiary contain software that is not owned by the Subsidiary but is licensed by third parties</p> <p>The Seller anticipates that a Purchase Contract between CMDS and the Company for the purchase and sale of 100% of the issued shares of the Subsidiary will be executed once finalized and in Agreed Form with the Purchaser. In addition to the Purchase Contract the Company will issue a Note payable to CMDS BVI in the principal amount of US \$500,000 plus interest. Until such time as the Company pays the Note issued by the Company to CMDS BVI has been paid in full, CMDS BVI may have an Encumbrance over 100% of the shares of the Subsidiary sold by CMDS BVI to the Company pursuant to the Purchase Contract</p>

SPA Warranty No.	Disclosure
12.1	The execution of this Agreement and the completion of the transactions contemplated therein, including the Shareholders' Agreement and New Articles, will require the Group Companies to obtain certain approvals and licences
12.3	The Subsidiary is required to be a member of the Chaoyang District Trade Union, a subsidiary of All China Federation of Trade Unions in China
13.1	The Seller is unable to provide copies of oral agreements and does not have agreements for housekeeping services [or for the audit services provided by Beijing Zhonghuiren Accounting Firm Co Ltd.] The Seller has provided copies of its material written agreements in the Disclosure Documents but will undertake prior to Completion to provide copies of immaterial agreements such as agreements for telecom services and accounting services
13.4	<p>Power of attorney granted to Beijing Mason in connection with business licence registration agency services</p> <p>Power of attorney granted to Baililai International Group (HK) Limited from the Company and the Subsidiary in connection with business licence registration agency services</p> <p>Power of attorney granted to Ms Zhao Zhenling, the external accountant</p> <p>The Group Companies may have granted powers of attorney in connection with opening bank accounts.</p> <p>Power of attorney granted to Metopro Associates Limited in connection with registration agency services.</p>
14.1	<p>The Subsidiary is subject to compulsory pension and other requirements for employees under Chinese law. As far as Seller is aware, these are as follows:</p> <p>Pension employer (20%)  Pension employee (8%)  Unemployment employer (1%)  Unemployment employee (.2%)  Work injury employer (.3%)  Maternity employer (.8%)  Basic medical employer (10%)  Basic medical employee (2%+3)  Housing fund employer  Housing fund employee  Supplementary Medical Insurance</p> <p>The Subsidiary does not have a staff handbook, only a guideline. The Seller will undertake to provide a copy of such guideline prior to Completion.</p> <p>The Company does not have employees</p>

SPA Warranty No.	Disclosure
14.3	[The Seller has advised certain employees of the Subsidiary that they will receive an economic interest in the Company in the amount of 10%, subject to and to the extent the legally permissible]
15.1	<p>The Subsidiary is subject to compulsory pension and other requirements for employees under Chinese law. As far as Seller is aware, these are as follows:</p> <ul style="list-style-type: none"> <li>Pension employer (20%)</li> <li>Pension employee (8%)</li> <li>Unemployment employer (1%)</li> <li>Unemployment employee (.2%)</li> <li>Work injury employer (.3%)</li> <li>Maternity employer (.8%)</li> <li>Basic medical employer (10%)</li> <li>Basic medical employee (2%+3)</li> <li>Housing fund employer</li> <li>Housing fund employee</li> <li>Supplementary Medical Insurance</li> </ul>
16.1	The laptops within the Subsidiary's assets were pre-loaded with operating and application software subject to various shrinkwrap licenses. In addition, the Group Companies may have unregistered copyrights in their materials but does not have registered copyrights. In addition, Shu Zhang is the registrant of the domain name "asiagateway.cn" and permits the Subsidiary to use such domain name
16.3	Please see the disclosure in clause 16.1 above
16.8	Please see the disclosure in clause 16.1 above
17.4	The Seller is a tenant of the Property and as such is not in a position to know whether there are any such outstanding orders, notices or other requirements nor any circumstances that may result in any such order or notice being served

[Signature page follows]

Please acknowledge receipt of this Disclosure Letter by signing and returning the enclosed copy. By so doing, the Buyer confirms to the Seller that it has received a copy of this Disclosure Letter.

Yours faithfully

DAVID STERN



\_\_\_\_\_  
Name:

Title:

Received this \_\_\_ day of April, 2010

INFORMA PLC

\_\_\_\_\_  
Name:

Title:

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Yours faithfully

DAVID STERN

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Name:

Title:

Received this 30<sup>th</sup> day of April, 2010

INFORMA PLC



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Name: JOHN BURTON  
Title: COMPANY SECRETARY