

# DSWISS INC

## FORM 10-Q (Quarterly Report)

Filed 08/15/16 for the Period Ending 06/30/16

Telephone	(603) 7624-3213
CIK	0001652561
Symbol	DQWS
SIC Code	2844 - Perfumes, Cosmetics and Other Toilet Preparations
Industry	Other Specialty Retailers
Sector	Consumer Cyclical
Fiscal Year	12/31

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-Q**

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

For The Quarterly Period Ended **June 30, 2016**

or

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d)  
OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from \_\_\_\_\_ to \_\_\_\_\_

Commission File Number **333-208083**

**DSwiss, Inc.**

(Exact name of registrant issuer as specified in its charter)

**Nevada**

(State or other jurisdiction  
of incorporation or organization)

**47-4215595**

(I.R.S. Employer  
Identification No.)

**A-08-06, Tropicana Avenue,  
Tropicana Golf & Country Resort,  
47410, Petaling Jaya,  
Selangor, Malaysia**

(Address of principal executive offices, including zip code)

Registrant's phone number, including area code **(603) 8605-3638**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

YES  NO

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (section 232.405 of this chapter) during the preceding twelve months (or shorter period that the registrant was required to submit and post such files).

YES  NO

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act. (Check one):

Large Accelerated Filer  Accelerated Filer  Non-accelerated Filer  Smaller reporting company

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 10, 2016
Common Stock, \$.0001 par value	203,342,600

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**DSWISS, INC.**  
**CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**

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**DSWISS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
**As of June 30, 2016 and December 31, 2015**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)

	<u>June 30, 2016</u>	<u>December 31, 2015</u>
	Unaudited	Audited
<b>ASSETS</b>		
CURRENT ASSETS		
Cash and cash equivalents	\$ 698,269	\$ 437,202
Accounts receivable	1,436	7,654
Inventories	35,780	2,060
Prepaid expenses and deposits	7,761	3,074
Income tax receivables	893	838
Total Current Assets	<u>744,139</u>	<u>450,828</u>
NON-CURRENT ASSETS		
Property and equipment, net	48,721	42,604
Intangible assets, net	2,714	2,973
Total Non-Current Assets	<u>51,435</u>	<u>45,577</u>
<b>TOTAL ASSETS</b>	<u>\$ 795,574</u>	<u>\$ 496,405</u>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
CURRENT LIABILITIES		
Accounts payables	\$ 17,960	\$ 1,547
Other payables and accrued liabilities	58,932	55,971
Amount due to a director	29,710	171
Total Current Liabilities	<u>106,602</u>	<u>57,689</u>
NON- CURRENT LIABILITIES		
Convertible notes payable	<u>617,400</u>	<u>213,500</u>
<b>TOTAL LIABILITIES</b>	<u>\$ 724,002</u>	<u>\$ 271,189</u>
STOCKHOLDERS' EQUITY		
Share capital	\$ 20,334	\$ 20,334
Additional paid in capital	279,296	279,296
Accumulated other comprehensive (losses)	(7,301)	(13,221)
Accumulated (losses)	(253,074)	(61,193)
TOTAL STOCKHOLDERS' EQUITY	<u>\$ 39,255</u>	<u>\$ 225,216</u>
NON CONTROLLING INTEREST	32,317	-
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<u>\$ 795,574</u>	<u>\$ 496,405</u>

See accompanying notes to consolidated financial statements.

**DSWISS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME**  
**For the three and six months ended June 30, 2016 and 2015**  
**(Currency expressed in United States Dollars (“US\$”), except for number of shares)**  
**(Unaudited)**

	<u>Three months ended June 30,</u>		<u>Six months ended June 30,</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
REVENUE	\$ 68,479	\$ 21,897	\$ 95,869	\$ 75,345
COST OF REVENUE	(53,386)	(16,868)	(63,407)	(43,301)
GROSS PROFIT	15,093	5,029	32,462	32,044
OTHER INCOME	7	-	7	-
SELLING AND DISTRIBUTION EXPENSES	(8,949)	(1,298)	(10,549)	(2,608)
GENERAL AND ADMINISTRATIVE EXPENSES	(98,899)	-	(131,611)	-
OPERATING EXPENSES	(27,308)	(17,333)	(77,653)	(65,988)
OTHER OPERATING EXPENSES	(5,288)	-	(9,739)	(9,938)
(LOSS) BEFORE INCOME TAX	(125,344)	(13,602)	(197,083)	(46,490)
INCOME TAX PROVISION	-	-	-	-
NET (LOSS)	<u>\$ (125,344)</u>	<u>\$ (13,602)</u>	<u>\$ (197,083)</u>	<u>(46,490)</u>
Non Controlling Interest	5,202	-	5,202	-
Other comprehensive income/(loss):				
- Foreign currency translation adjustment	(5,363)	2,229	5,924	6,559
Comprehensive income/(loss)	<u>(125,505)</u>	<u>(11,373)</u>	<u>(185,957)</u>	<u>(39,931)</u>
Net income/(loss) per share- Basic and diluted	(0.00)	(1.45)	(0.00)	(4.95)
Weighted average number of common shares outstanding – Basic and diluted	<u>203,342,600</u>	<u>9,392</u>	<u>203,342,600</u>	<u>9,392</u>

See accompanying notes to consolidated financial statements.

**DSWISS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
For the six months ended June 30, 2016 and 2015  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
(Unaudited)

	<b>Six months ended June 30,</b>	
	<b>2016</b>	<b>2015</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net (loss)	\$ (197,083)	\$ (46,490)
Adjustments to reconcile net (loss) to net cash used in operating activities:		
Depreciation and amortization	9,401	6,528
Amortization for intangible assets	333	-
Changes in operating assets and liabilities:		
Accounts payable	9,589	(105)
Accounts receivable	12,590	(8,489)
Other payables and accrued liabilities	704	9,251
Inventories	(32,745)	16,792
Prepaid expenses and deposits	(4,419)	(1,248)
<b>Cash used in operating activities</b>	<b>(201,630)</b>	<b>(23,760)</b>
Taxation refund	-	-
Taxation paid	-	595
<b>Net cash used in operating activities</b>	<b>(201,630)</b>	<b>(23,166)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Purchase of property and equipment	(12,693)	(2,229)
Intangible assets	-	(320)
<b>Net cash used in investing activities</b>	<b>(12,693)</b>	<b>(2,549)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Proceeds from convertible notes payable	403,900	-
Issuance of common stock	-	5
Capital contribution to subsidiaries/associates	120,144	-
Advances from directors	29,717	-
<b>Net cash provided by financing activities</b>	<b>553,761</b>	<b>-</b>
Effect of exchange rate changes on cash and cash equivalent	(78,371)	(1,524)
Net increase / (decrease) in cash and cash equivalents	261,067	(27,233)
Cash and cash equivalents, beginning of period	437,202	33,705
<b>CASH AND CASH EQUIVALENTS, END OF PERIOD</b>	<b>\$ 698,269</b>	<b>\$ 6,471</b>
<b>SUPPLEMENTAL CASH FLOWS INFORMATION</b>		
Income taxes paid	\$ -	\$ -
Interest paid	\$ -	\$ -

See accompanying notes to consolidated financial statements.

**DSWISS, INC.**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
**(UNAUDITED)**

**1. DESCRIPTION OF BUSINESS AND ORGANIZATION**

DSwiss, Inc. is organized as a Nevada limited liability company, incorporated on May 28, 2015. For the purposes of financial statement presentation, DSwiss, Inc. and its subsidiaries are herein referred to as “the Company” or “we”. The principal activity of the Company and its subsidiaries is to supply high quality beauty products directly to clients through wholly owned subsidiaries. Our beauty supplies include, but are not limited to, beverages to assist in weight loss, anti-aging cream, and products designed to improve the overall health and wellness of clients.

We have historically conducted our business through DSwiss Sdn Bhd, a private limited liability company, incorporated in Malaysia. DSwiss Holding Limited, incorporated in Seychelles, is an investment holding company with 100% equity interest in DSwiss (HK) Limited, a company incorporated in Hong Kong, which subsequent hold 100% equity interest in DSwiss Sdn. Bhd. On August 31, 2015, DSwiss, Inc. was restructured to be the holding company parent to, and succeed to the operations of, DSwiss Holding Limited. The former unit holder of DSwiss Holding Limited became the unit holder of DSwiss, Inc. and DSwiss Holding Limited became a wholly-owned subsidiary of DSwiss, Inc. This transaction was accounted for as a transaction among entities under common control and the assets, liabilities, revenues and expenses of DSwiss Holding Limited were carried over to and combined with DSwiss, Inc. at historical cost, and as if the transfer occurred at the beginning of the period. Prior periods have been retrospectively adjusted for comparative purposes.

During the three months period ended June 30, 2016, we have invested in DSwiss Biotech Sdn Bhd, a Company incorporated in Malaysia, and owned 40% equity interest. We have invested in DS Asia Co., Ltd, incorporated in Thailand, and owned 49% equity interest. We have incorporated a new company namely DSwiss International Trading (Shenzhen) Limited in China, with 100% equity interest.

The Company, through its subsidiaries and its variable interest entities (“VIEs”), mainly supplies high quality beauty products. Details of the Company’s subsidiaries and associates:

<u>Company name</u>	<u>Place and date of incorporation</u>	<u>Particulars of issued capital</u>	<u>Principal activities</u>	<u>Proportional of ownership interest and voting power held</u>
1. DSwiss Holding Limited	Seychelles, May 28, 2015	1 share of ordinary share of US\$1 each	Investment holding	100%
2. DSwiss (HK) Limited	Hong Kong, May 28, 2015	1 share of ordinary share of HK\$1 each	Supply of beauty products	100%
3. DSwiss Sdn Bhd	Malaysia, June 10, 2011	2 shares of ordinary share of RM 1 each	Supply of beauty products	100%
4. DSwiss Biotech Sdn Bhd(1)	Malaysia, March 17, 2016	250,000 shares of ordinary share of RM 1 each	Supply of biotech products	40%
5. DS Asia Co., Ltd(1)	Thailand, April 27,2016	20,000 shares of ordinary share of THB 1 each	Trading Beauty products	49%
6. DSwiss International Trading (Shenzhen) Limited 德瑞絲國際貿易(深圳)有限公司	PRC, June 21, 2016	20,000 shares of ordinary share of RMB 1 each	Trading Beauty products	100%

(1) Based on the contractual arrangements between the Company and other investors, the Company has the power to direct the relevant activities of these entities unilaterally, and hence the Company has control over these entities.



**DSWISS, INC.**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
**(Currency expressed in United States Dollars (“US\$”), except for number of shares)**  
**(UNAUDITED)**

**2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of presentation

The accompanying condensed consolidated financial statements are prepared in accordance with generally accepted accounting principles in the United States of America (“US GAAP”).

The Company has adopted its fiscal year-end to be December 31.

Basis of consolidation

The condensed consolidated financial statements include the accounts of the Company, its subsidiaries and its VIEs in which the Company is the primary beneficiary. All inter-company accounts and transactions have been eliminated upon consolidation.

Use of estimates

Management uses estimates and assumptions in preparing these financial statements in accordance with US GAAP. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities in the balance sheets, and the reported revenue and expenses during the periods reported. Actual results may differ from these estimates.

Revenue recognition

In accordance with Financial Accounting Standards Board (“FASB”) Accounting Standards Codification (“ASC”) Topic 605, “*Revenue Recognition*”, the Company recognizes revenue from sales of goods when the following four revenue criteria are met: (1) persuasive evidence of an arrangement exists; (2) delivery has occurred; (3) selling price is fixed or determinable; and (4) collectability is reasonably assured.

Revenue from supplies of beauty products is recognized when title and risk of loss are transferred and there are no continuing obligations to the customer. Title and the risks and rewards of ownership transfer to and accepted by the customer when the products are collected by the customer at the Company’s office. Revenue is recorded net of sales discounts, returns, allowances, and other adjustments that are based upon management’s best estimates and historical experience and are provided for in the same period as the related revenues are recorded. Based on limited operating history, management estimates that there was no sales return for the period reported.

Cost of revenue

Cost of revenue includes the purchase cost of retail goods for re-sale to customers and packing materials (such as boxes). It excludes purchasing and receiving costs, inspection costs, warehousing costs, internal transfer costs and other costs of distribution network in cost of revenues.

Shipping and handling fees

Shipping and handling fees, if billed to customers, are included in revenue. Shipping and handling fees associated with inbound and outbound freight are expensed as incurred and included in selling and distribution expenses.

Shipping and handling fees are expensed as incurred for the three and six months ended June 30, 2016 were \$669 and \$1,488 respectively, while for the three and six months ended June 30, 2015 were \$745 and \$1,308 respectively.

**DSWISS, INC.**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
**(Currency expressed in United States Dollars (“US\$”), except for number of shares)**  
**(UNAUDITED)**

Selling and distribution expenses

Selling and distribution expenses are primarily comprised of travelling and accommodation, transportation fees such as petrol, toll and parking and shipping and handling fees.

Cash and cash equivalents

Cash and cash equivalents are carried at cost and represent cash on hand, demand deposits placed with banks or other financial institutions and all highly liquid investments with an original maturity of three months or less as of the purchase date of such investments.

Inventories

Inventories consisting of products available for sell, are stated at the lower of cost or market value. Cost of inventory is determined using the first-in, first-out (FIFO) method. Inventory reserve is recorded to write down the cost of inventory to the estimated market value due to slow-moving merchandise and damaged goods, which is dependent upon factors such as historical and forecasted consumer demand, and promotional environment. The Company takes ownership, risks and rewards of the products purchased. Write downs are recorded in cost of revenues in the Condensed Consolidated Statements of Operations and Comprehensive Income.

Property and equipment

Property and equipment are stated at cost less accumulated depreciation and impairment. Depreciation of plant, equipment and software are calculated on the straight-line method over their estimated useful lives or lease terms generally as follows:

<b>Classification</b>	<b>Estimated useful lives</b>
Computer and software	5 years
Furniture and Fittings	5 years
Office equipment	10 years
Renovation	5 years

Expenditures for maintenance and repairs are expensed as incurred.

Intangible assets

Intangible assets are stated at cost less accumulated amortization. Intangible assets represented the registration costs of trademarks in Hong Kong, China, and Malaysia, which are amortized on a straight-line basis over a useful life of five years.

The Company follows ASC Topic 350 in accounting for intangible assets, which requires impairment losses to be recorded when indicators of impairment are present and the undiscounted cash flows estimated to be generated by the assets are less than the assets’ carrying amounts. There was no impairment losses recorded on intangible assets for the three and six months ended June 30, 2016.

Income taxes

Income taxes are determined in accordance with the provisions of ASC Topic 740, “*Income Taxes*” (“ASC Topic 740”). Under this method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax basis. Deferred tax assets and liabilities are measured using enacted income tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. Any effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

ASC 740 prescribes a comprehensive model for how companies should recognize, measure, present, and disclose in their financial statements uncertain tax positions taken or expected to be taken on a tax return. Under ASC 740, tax positions must initially be recognized in the financial statements when it is more likely than not the position will be sustained upon examination by the tax authorities. Such tax positions must initially and subsequently be measured as the largest amount of tax benefit that has a greater than 50% likelihood of being realized upon ultimate settlement with the tax authority assuming full knowledge of the position and relevant facts.

The Company conducts major businesses in Malaysia and Hong Kong, and is expanding to China and Thailand. The Company is subject to tax in these jurisdiction. As a result of its business activities, the Company will file tax returns that are subject to examination by the foreign tax authority.

**DSWISS, INC.**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
**(UNAUDITED)**

Net income/(loss) per share

The Company calculates net income/(loss) per share in accordance with ASC Topic 260, “*Earnings per Share*.” Basic income/(loss) per share is computed by dividing the net income/(loss) by the weighted-average number of common shares outstanding during the period. Diluted income per share is computed similar to basic income/(loss) per share except that the denominator is increased to include the number of additional common shares that would have been outstanding if the potential common stock equivalents had been issued and if the additional common shares were dilutive.

Foreign currencies translation

Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rates prevailing at the dates of the transaction. Monetary assets and liabilities denominated in currencies other than the functional currency are translated into the functional currency using the applicable exchange rates at the balance sheet dates. The resulting exchange differences are recorded in the Condensed Consolidated Statements of Operations and Comprehensive Income

The reporting currency of the Company is United States Dollars (“US\$”) and the accompanying financial statements have been expressed in US\$. In addition, the Company’s subsidiaries and VIEs in Malaysia, Hong Kong, China and Thailand maintains their books and record in their local currency, Ringgits Malaysia (“RM”), Hong Kong Dollars (“HK\$”), Chinese Renminbi (“RMB”) and Thai Baht (“THB”) respectively, which is functional currency as being the primary currency of the economic environment in which the entity operates.

In general, for consolidation purposes, assets and liabilities of its subsidiaries whose functional currency is not US\$ are translated into US\$, in accordance with ASC Topic 830-30, “*Translation of Financial Statement*”, using the exchange rate on the balance sheet date. Revenues and expenses are translated at average rates prevailing during the period. The gains and losses resulting from translation of financial statements of foreign subsidiary are recorded as a separate component of accumulated other comprehensive income within the statements of stockholders’ equity.

Translation of amounts from RM into US\$1, HK\$ into US\$1, RMB into US\$1 and THB into US\$1 has been made at the following exchange rates for the respective periods:

	As of and for the six months ended June 30,	
	2016	2015
Period-end RM : US\$1 exchange rate	4.03	3.78
Period-average RM : US\$1 exchange rate	4.16	3.64
Period-end HK\$ : US\$1 exchange rate	7.75	7.75
Period-average HK\$ : US\$1 exchange rate	7.75	7.75
Period-end RMB : US\$1 exchange rate	6.64	6.09
Period-average RMB : US\$1 exchange rate	6.57	6.11
Period-end THB : US\$1 exchange rate	35.11	33.77
Period-average THB : US\$1 exchange rate	35.56	33.30

**DSWISS, INC.**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
**(Currency expressed in United States Dollars (“US\$”), except for number of shares)**  
**(UNAUDITED)**

Fair value of financial instruments:

The carrying value of the Company’s financial instruments: cash and cash equivalents, and accounts payable and approximate at their fair values because of the short-term nature of these financial instruments..

The Company also follows the guidance of the ASC Topic 820-10, “*Fair Value Measurements and Disclosures*” (“ASC 820-10”), with respect to financial assets and liabilities that are measured at fair value. ASC 820-10 establishes a three-tier fair value hierarchy that prioritizes the inputs used in measuring fair value as follows:

*Level 1* : Observable inputs such as quoted prices in active markets;

*Level 2* : Inputs, other than the quoted prices in active markets, that are observable either directly or indirectly; and

*Level 3* : Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

Segment reporting

ASC Topic 280, “*Segment Reporting*” establishes standards for reporting information about operating segments on a basis consistent with the Company’s internal organization structure as well as information about geographical areas, business segments and major customers in financial statements. For the three months ended June 30, 2016, the Company operates in two reportable operating segment in Malaysia and Hong Kong.

Recent accounting pronouncements

FASB issues various Accounting Standards Updates relating to the treatment and recording of certain accounting transactions. On June 10, 2014, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2014-10, *Development Stage Entities* (Topic 915) - Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, *Consolidation* , which eliminates the concept of a development stage entity (DSE) entirely from current accounting guidance. The Company has elected adoption of this standard, which eliminates the designation of DSEs and the requirement to disclose results of operations and cash flows since inception.

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, “Revenue from Contracts with Customers” (“ASU 2014-09”). ASU 2014-09 supersedes the revenue recognition requirements in “Revenue Recognition (Topic 605)”, and requires entities to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. Early adoption is not permitted. In August 2015, the FASB issued an Accounting Standards Update to defer by one year the effective dates of its new revenue recognition standard until annual reporting periods beginning after January December 15, 2017 (2018 for calendar-year public entities) and interim periods therein. Management is currently assessing the impact the adoption of ASU 2014-09 and has not determined the effect of the standard on our ongoing financial reporting. We do not expect the adoption of this new standard to have a material impact on our consolidated financial statements.

In August 2014, the FASB issued ASU 2014-15, “Presentation of Financial Statements - Going Concern, Disclosure of Uncertainties about an Entity’s Ability to Continue as a Going Concern” (“ASU 2014-15”), which establishes management’s responsibility to evaluate whether there is substantial doubt about an entity’s ability to continue as a going concern and, if so, to provide related footnote disclosures. ASU 2014-15 provides a definition of the term “substantial doubt” and requires an assessment for a period of one year after the date that the financial statements are issued or available to be issued. Management will also be required to evaluate and disclose whether its plans alleviate that doubt. The guidance is effective for the annual periods ending after December 15, 2016 and interim periods thereafter with early adoption permitted. The Company is currently evaluating the impact the adoption of ASU 2014-15 on the Company’s financial statement presentation and disclosures. We do not expect the adoption of this new standard to have a material impact on our consolidated financial statements.

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and do not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations.

**DSWISS, INC.**  
**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
**FOR THE SIX MONTHS ENDED JUNE 30, 2016**  
**(Currency expressed in United States Dollars (“US\$”), except for number of shares)**  
**(UNAUDITED)**

**3. VIE STRUCTURE AND ARRANGEMENTS**

On June 27, 2016, DSwiss (HK) Limited (“DSHK”) entered into a Management Services Agreement (the “Management Services Agreement I”) which entitles DSHK to substantially entitled to all of the economic benefits of DSwiss Biotech Sdn Bhd (“DSBT”) in consideration of services provided by DSHK to DSBT. Pursuant to the Management Services Agreement I, DSHK has the exclusive right to provide to DSBT management, financial and other services related to the operation of DSBT’s business, and DSBT is required to take all commercially reasonable efforts to permit and facilitate the provision of the services provided by DSHK. As compensation for providing the services, DSHK is entitled to receive a fee from DSBT, upon demand, equal to 100% of the annual net profits of DSBT during the term of the Management Services Agreement I. DSHK may also request, on ad hoc basis, quarterly payments of the aggregate fee, which payments will be credited against DSBT’s future payment obligations.

The Management Services Agreement I also provides DSHK, or its designee, with a right of first refusal to acquire all or any portion of the equity of DSBT upon any proposal by the sole shareholder of DSBT to transfer such equity. In addition, at the sole discretion of DSHK, DSBT is obligated to transfer to DSHK, or its designee, any part or all of the business, personnel, assets and operations of DSBT which may be lawfully conducted, employed, owned or operated by DSHK, including:

(a) business opportunities presented to, or available to DSBT may be pursued and contracted for in the name of DSHK rather than DSBT, and at its discretion, DSHK may employ the resources of DSBT to secure such opportunities;

(b) any tangible or intangible property of DSBT, any contractual rights, any personnel, and any other items or things of value held by DSBT may be transferred to DSHK at book value;

(c) real property, personal or intangible property, personnel, services, equipment, supplies and any other items useful for the conduct of the business may be obtained by DSHK by acquisition, lease, license or otherwise, and made available to DSBT on terms to be determined by agreement between DSHK and DSBT;

(d) contracts entered into in the name of DSBT may be transferred to DSHK, or the work under such contracts may be subcontracted, in whole or in part, to DSHK, on terms to be determined by agreement between DSHK and DSBT; and

(e) any changes to, or any expansion or contraction of, the business may be carried out in the exercise of the sole discretion of DSHK, and in the name of and at the expense of, DSHK; provided, however, that none of the foregoing may cause or have the effect of terminating (without being substantially replaced under the name of DSHK) or adversely affecting any license, permit or regulatory status of DSBT.

In addition, DSHK entered into certain agreements with Jervey Choon, (the “DSBT shareholder”), including

(i) a Call Option Agreement allowing DSHK to acquire the shares of DSBT as permitted by Malaysia laws;

(ii) a Shareholders’ Voting Rights Proxy Agreement that provides DSHK with the voting rights of the DSBT; and

(ii) an Equity Pledge Agreement that pledges the shares in DSBT.

This VIE structure provides DSHK, a wholly-owned subsidiary of DSwiss Holding Limited, which is the wholly-owned subsidiary of DSwiss Inc, with control over the operations and benefits of DSBT without having a direct equity ownership in DSBT.

On June 27, 2016, DSHK entered into a Management Services Agreement (the “Management Services Agreement II”) which entitles DSHK to substantially entitled to all of the economic benefits of DS Asia Co., Ltd (“DSAC”) in consideration of services provided by DSHK to DSAC. Pursuant to the Management Services Agreement II, DSHK has the exclusive right to provide to DSAC management, financial and other services related to the operation of DSAC’s business, and DSAC is required to take all commercially reasonable efforts to permit and facilitate the provision of the services provided by DSHK. As compensation for providing the services, DSHK is entitled to receive a fee from DSAC, upon demand, equal to 100% of the annual net profits of DSAC during the term of the Management Services Agreement II. DSHK may also request, on ad hoc basis, quarterly payments of the aggregate fee, which payments will be credited against DSAC’s future payment obligations.

The Management Services Agreement II also provides DSHK, or its designee, with a right of first refusal to acquire all or any portion of the equity of DSAC upon any proposal by the sole shareholder of DSAC to transfer such equity. In addition, at the sole discretion of DSHK, DSAC is obligated to transfer to DSHK, or its designee, any part or all of the business, personnel, assets and operations of DSAC which may be lawfully conducted, employed, owned or operated by DSHK, including:

(a) business opportunities presented to, or available to DSAC may be pursued and contracted for in the name of DSHK rather than DSAC, and at its discretion, DSHK may employ the resources of DSAC to secure such opportunities;

(b) any tangible or intangible property of DSAC, any contractual rights, any personnel, and any other items or things of value held by DSAC may be transferred to DSHK at book value;

(c) real property, personal or intangible property, personnel, services, equipment, supplies and any other items useful for the conduct of the business may be obtained by DSHK by acquisition, lease, license or otherwise, and made available to DSAC on terms to be determined by agreement between DSHK and DSAC;

(d) contracts entered into in the name of DSAC may be transferred to DSHK, or the work under such contracts may be subcontracted, in whole or in part, to DSHK, on terms to be determined by agreement between DSHK and DSAC; and

(e) any changes to, or any expansion or contraction of, the business may be carried out in the exercise of the sole discretion of DSHK, and in the name of and at the expense of, DSHK; provided, however, that none of the foregoing may cause or have the effect of terminating (without being substantially replaced under the name of DSHK) or adversely affecting any license, permit or regulatory status of DSAC.

In addition, DSHK entered into certain agreements with each of Ms. Weraya Limpasuthum, Ms. Kanittha Tharanut, (collectively, the “DSAC shareholders”), including

(iv) a Call Option Agreement allowing DSHK to acquire the shares of DSAC as permitted by Thailand laws;

(v) a Shareholders’ Voting Rights Proxy Agreement that provides DSHK with the voting rights of the DSAC; and

(vi) an Equity Pledge Agreement that pledges the shares in DSAC.

This VIE structure provides DSHK, a wholly-owned subsidiary of DSwiss Holding Limited, which is the wholly-owned subsidiary of DSwiss Inc, with control over the operations and benefits of DSAC without having a direct equity ownership in DSAC.

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**NOTES TO CONDENSED FINANCIAL STATEMENTS**  
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(Currency expressed in United States Dollars (“US\$”), except for number of shares)  
**(UNAUDITED)**

**4. PROPERTY AND EQUIPMENT**

	<b>2016</b>	<b>2015</b>
Computers and software	\$ 85,774	\$ 79,266
Furniture and fittings	2,963	2,110
Office equipment	8,990	7,142
Renovation	9,638	-
Total property and equipment	\$ 107,365	\$ 88,518
Accumulated depreciation	(58,644)	(45,914)
Property and equipment, net	\$ 48,721	\$ 42,604

Depreciation expense for the three and six months ended June 30, 2016 were \$4,950 and \$9,401, respectively.

Depreciation expense for the three and six months ended June 30, 2015 were \$3,253 and \$6,528, respectively.

**5. INTANGIBLE ASSETS**

	<b>2016</b>	<b>2015</b>
Trademarks	\$ 3,389	\$ 3,315
Amortization	(675)	(342)
Intangible assets, net	\$ 2,714	\$ 2,973

Amortization for the three and six months ended June 30, 2016 was \$248 and \$333.

**6. PREPAID EXPENSES AND DEPOSITS**

	<b>2016</b>	<b>2015</b>
Prepaid expenses	\$ 7,309	\$ 2,650
Deposits	452	424
Total prepaid expenses and deposits	\$ 7,761	\$ 3,074

**7. INVENTORIES**

	<b>2016</b>	<b>2015</b>
Finished goods, at cost	\$ 35,780	\$ 2,060
Total inventories	\$ 35,780	\$ 2,060

**8. OTHER PAYABLES AND ACCRUED LIABILITIES**

	<b>2016</b>	<b>2015</b>
Other payables	\$ 15,659	\$ 38,372
Accrued audit fees	3,434	13,800
Accrued other expenses	609	876
Accrued professional fees	39,230	2,923
Total payables and accrued liabilities	\$ 58,932	\$ 55,971

**9. CONVERTIBLE NOTES PAYABLE**

For the three and six months period ended June 30, 2016, the Company received a total of \$175,900 and \$375,900 of convertible promissory notes, respectively, from accredited investors who reside in Malaysia, China, Hong Kong, Singapore and Taiwan. The conversion price of some convertible notes is \$0.2 per share, while the remaining is \$0.4 per share. The Convertible Notes bear no interest with a maturity of two years.

**DSWISS, INC.**  
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**10. INCOME TAXES**

For the six months ended June 2016 and 2015, the local (United States) and foreign components of income/(loss) before income taxes were comprised of the following:

	<u>2016</u>	<u>2015</u>
Tax jurisdictions from:		
- Local	\$ (8,416)	\$ -
- Foreign, representing		
Seychelles	(1,690)	-
Hong Kong	(85,794)	-
Malaysia	(81,186)	(4 6,490)
PRC	(10,510)	-
Thailand	(9,487)	-
	<u>(197,083)</u>	<u>(4 6,490)</u>
Loss before income tax	\$ (197,083)	\$ (4 6,490)

The provision for income taxes consisted of the following:

	<u>2016</u>	<u>2015</u>
Current:		
- Local	\$ -	\$ -
- Foreign	-	-
Deferred:		
- Local	-	-
- Foreign	-	-
Income tax expense	\$ -	\$ -

The effective tax rate in the periods presented is the result of the mix of income earned in various tax jurisdictions that apply a broad range of income tax rates. The Company has subsidiaries that operate in various countries: United States, Seychelles, Hong Kong, Malaysia, PRC and Thailand that are subject to taxes in the jurisdictions in which they operate, as follows:

*United States of America*

The Company is registered in the State of Nevada and is subject to the tax laws of the United States of America.

*Seychelles*

Under the current laws of the Seychelles, DSwiss Holding Limited is registered as an international business company which governs by the International Business Companies Act of Seychelles and there is no income tax charged in Seychelles.

*Hong Kong*

DSwiss (HK) Limited is subject to Hong Kong Profits Tax, which is charged at the statutory income rate of 16.5% on its assessable income.

*Malaysia*

DSwiss Sdn Bhd and DSwiss Biotech Sdn Bhd is subject to Malaysia Corporate Tax, which is charged at the statutory income rate range from 20% to 25% on its assessable income.

*PRC*

DSwiss International Trading (Shenzhen) Limited is operating in the PRC subject to the Corporate Income Tax governed by the Income Tax Law of the People's Republic of China with a unified statutory income tax rate of 25%.

*Thailand*

DS Asia Co., Ltd is subject to the Corporate Income Tax governed by the Thailand Revenue Department. Companies and juristic partnerships with a paid-in capital



not exceeding 5 million Thai baht (THB) at the end of any accounting period and income from the sale of goods and/or the provision of services not exceeding THB 30 million in any accounting period will be subject to tax range from 0% - 20%.

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**11. CONCENTRATIONS OF RISK**

The Company is exposed to the following concentrations of risk:

(a) Major customers

For three months ended June 30, 2016 and 2015, the customers who accounted for 10% or more of the Company’s purchases and its outstanding payable balance at period-end are presented as follows:

	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	<b>Revenues</b>		<b>Percentage of revenues</b>		<b>Accounts receivable, trade</b>	
Customer A	\$ 14,325	-	21%	-	\$ 1,074	-
Customer B	8,339	-	12%	-	-	-
	<u>\$ 22,664</u>	<u>-</u>	<u>33%</u>	<u>-</u>	<u>\$ 1,074</u>	<u>-</u>

For six months ended June 30, 2016 and 2015, the customers who accounted for 10% or more of the Company’s purchases and its outstanding payable balance at period-end are presented as follows:

	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	<b>Revenues</b>		<b>Percentage of revenues</b>		<b>Accounts receivable, trade</b>	
Customer A	\$ 14,325	-	15%	-	\$ 1,074	-
	<u>\$ 14,325</u>	<u>-</u>	<u>15%</u>	<u>-</u>	<u>\$ 1,074</u>	<u>-</u>

(b) Major vendors

For three months ended June 30, 2016 and 2015, the vendors who accounted for 10% or more of the Company’s purchases and its outstanding payable balance at period-end are presented as follows:

	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	<b>Purchase</b>		<b>Percentage of purchases</b>		<b>Accounts payable, trade</b>	
Vendor A	\$ 14,425	7,854	27%	46%	\$ 9,739	-
Vendor B	8,066	-	15%	-	-	-
	<u>\$ 22,491</u>	<u>7,854</u>	<u>42%</u>	<u>46%</u>	<u>\$ 9,739</u>	<u>-</u>

For six months ended June 30, 2016 and 2015, the vendors who accounted for 10% or more of the Company’s purchases and its outstanding payable balance at period-end are presented as follows:

	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
	<b>Purchase</b>		<b>Percentage of purchases</b>		<b>Accounts payable, trade</b>	
Vendor A	\$ 32,341	7,854	51%	18%	\$ 9,739	-
Vendor B	24,275	-	38%	-	6,524	-
	<u>\$ 63,407</u>	<u>7,854</u>	<u>89%</u>	<u>18%</u>	<u>\$ 16,263</u>	<u>-</u>

All vendors are located in Malaysia.

(c) Exchange rate risk

The Company cannot guarantee that the current exchange rate will remain stable, therefore there is a possibility that the Company could post the same amount of income for two comparable periods and because of the fluctuating exchange rate actually post higher or lower income depending on exchange rate of RM converted to US\$, HK\$ converted into US\$, RMB converted into US\$ and THB converted into US\$ on that date. The exchange rate could fluctuate depending on changes in political and economic environments without notice.

**DSWISS, INC.**  
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**12. COMMITMENTS AND CONTINGENCIES**

For the period three months ended June 30, 2016 and 2015, the Company entered into an agreement with an independent third party to lease office premises in Malaysia on a monthly basis, for the operations of the Company. The rent expense for the six months period ended June 30, 2016 and June 30, 2015 were \$7,019 and \$2,384 respectively.

**13. SUBSEQUENT EVENTS**

In accordance with ASC Topic 855, “Subsequent Events”, which establishes general standards of accounting for and disclosure of events that occur after the balance sheet date but before financial statements are issued, the Company has evaluated all events or transactions that occurred after June 30, 2016 up through the date was the Company presented these unaudited condensed financial statements.

For the period July 1, 2016 through August 12, 2016, the Company received a total of \$21,000 of convertible promissory notes from accredited investors who reside in Malaysia with conversion price of the convertible notes is \$0.4 per share. The Convertible Notes bear no interest with a maturity of two years.

## ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The information contained in this quarter report on Form 10-Q is intended to update the information contained in our Form S-1 Amendment No.8, dated July 20, 2016, for the year ended December 31, 2015 and presumes that readers have access to, and will have read, the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and other information contained in such Form S-1. The following discussion and analysis also should be read together with our consolidated financial statements and the notes to the consolidated financial statements included elsewhere in this Form 10-Q.*

*The following discussion contains certain statements that may be deemed "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements appear in a number of places in this Report, including, without limitation, "Management's Discussion and Analysis of Financial Condition and Results of Operations." These statements are not guarantees of future performance and involve risks, uncertainties and requirements that are difficult to predict or are beyond our control. Forward-looking statements speak only as of the date of this quarterly report. You should not put undue reliance on any forward-looking statements. We strongly encourage investors to carefully read the factors described in our Form S-1 Amendment No.8, dated July 20, 2016 in the section entitled "Risk Factors" for a description of certain risks that could, among other things, cause actual results to differ from these forward-looking statements. We assume no responsibility to update the forward-looking statements contained in this transition report on Form 10-Q. The following should also be read in conjunction with the unaudited Condensed Consolidated Financial Statements and notes thereto that appear elsewhere in this report.*

### Company Overview

DSwiss, Inc., a Nevada corporation ("the Company") was incorporated under the laws of the State of Nevada on May 28, 2015. DSwiss Holding Limited owns 100% of DSwiss (HK) Limited, a Hong Kong Company, which owns 100% of DSwiss Sdn Bhd, the operating Malaysia Company of which is described below. In 2016, DSwiss (HK) Limited invested in DSwiss Biotech Sdn Bhd, incorporated in Malaysia, and owned 40% equity interest. DSwiss (HK) Limited also invested in DS Asia Co., Ltd, incorporated in Thailand, and owned 49% equity interest. We have incorporated a new company namely DSwiss International Trading (Shenzhen) Limited in China, with 100% equity interest owned by DSwiss (HK) Limited.

Our Company is a beauty supply company formed with the goal of supplying high quality beauty products directly to our clients. Our beauty supplies include, but are not limited to, beverages to assist in burning and reducing fat, anti-aging creams, and products designed to improve the overall health and physical appearance of our clients. Currently we supply our products solely in Malaysia and Hong Kong, however we have intentions to expand to Singapore, Indonesia, Thailand, Macau and China in the next year, and subsequent to that we will make efforts to expand throughout the world.

At this time we operate exclusively online through our website: <http://www.dswissbeauty.com/>

Our company continuously strives to improve the already high standard of our goods and services through ongoing research and market development. We are going to penetrate into South East Asia markets through the recruitment of distributors and via the social media like Facebook and Instagram. We foresee to spend a substantial amount in marketing and advertising in the coming year. At DSwiss we are determined to bring new products to markets that we have not yet explored.

Products which meet the definition of a medicinal scope need to be registered with the Drug Control Authority (DCA), Ministry of Health Malaysia. Manufacturing, marketing, importation and the sale of unregistered products is a violation of the Drug Control Regulations and Cosmetics Act 1984 of Malaysia and enforcement action can be taken.

Among the products offered by DSwiss, "Coffee Plus", "Kiwi Cell Detox" and "Triple Stem Cell" are not controlled by the DCA since the medicinal component of the products is no more than 20%.

For the remaining products offered by DSwiss, "Silk Mask", "Coffee Slimming Scrub" and "Peppermint Slimming Gel" are classified as drug and cosmetic items and need to be registered with the DCA. These products have been approved by DCA with a validity period for 2 years starting from mid 2014.

We always strive to offer products as high quality as possible, and hope that this assurance from an esteemed regulatory body will also serve to prove our continuing commitment to providing quality goods.

Our expected growth is planned to occur primarily through the implementation of our social media marketing strategy. DSwiss already has a strong relationship with social media (eg. Facebook, Instagram and Wechat). The global presence social media has helped provide to us has been an invaluable resource, and as we continue to expand our business operations and spread our brand awareness we intend to primarily utilize social media to reach our customers. The benefits of social media are countless, but perhaps the most imperative to our future success is our ability to connect with customers directly, to receive their feedback almost instantaneously. On that note, the feedback we have received from our clients has been overwhelmingly positive, which has helped us to create a robust brand image.

While DSwiss has been focused almost exclusively upon pursuing operations within Asia, we do have plans to expand outward and become a household name across the world. Our strategy to do so going forward is by forming partnerships with local companies in various countries that may be willing to stock our products or promote them to their own customers. We believe that by forging strategic relationships and partnerships we can expand our operations across the globe at a greater pace and with greater certainty than we would if we tried to expand on our own.

### Results of Operation

#### **For the Three and Six Months Ended June 30, 2016 and June 30, 2015.**

For the three and six months ended June 30, 2016, we realized revenue in the amount of \$68,479 and \$95,869 respectively, while for the three and six months ended June 30, 2015 we realized revenues in the amount of \$21,897 and \$75,345 respectively. Our gross profits for the three and six months ended June 30, 2016 were \$15,093 and \$32,462 respectively, which is greater than \$5,029 and \$32,044 for the three and six months ended June 30, 2015, respectively. We attribute the

increase in revenue and gross profit to increase of market exposure and the introduction of new products in 2016. We believe that in order to retain and maintain more customers in the future we must increase our marketing efforts and or develop new products.

\*Our gross margins may not be comparable to those of other entities, since some entities include all the costs related to their distribution network in cost of revenue. Our cost of revenue includes only the purchase cost of products and packing materials, and does not include any allocation of inbound freight charges, purchasing and receiving costs, inspection costs, warehousing costs, internal transfer costs, and the other costs associated with the distribution network.

Our net loss for the three and six months ended June 30, 2016 were \$125,344 and \$197,083 respectively, while for the three and six months ended June 30, 2015 were \$13,602 and \$46,490 respectively. We attribute this decrease due to additional cost incurred to increase product sales and market share.

For the six months ended June 30, 2016 our assets totaled \$795,574 due to large increases in cash and cash equivalents. Besides the increase in sales over the six months ended June 30, 2016, the sale of convertible notes to accredited investors attributed to this cash increase via cash infusions. The accredited investors who provided these cash infusions are not our officers or directors, nor are they affiliates of the Company.

The introduction of Malaysia Goods & Services Tax (GST) is still has effect on the selling price and hence the revenue. Malaysia Goods & Services Tax of 6% was implemented on April 1, 2015. It causes the increase of selling price of products offered by the Company.

The cost of sales also increased because of the increase in revenue.

The increases in general and administrative expenses are a result of advertising, new company formation, preparation costs for listing on the OTC market, compliance costs as a public company.

### **Liquidity and Capital Resources**

For the six months ended June 30, 2016, we had cash and cash equivalents of \$698,269. We have negative operating cash flows and our working capital has been and will continue to be significant. As a result, we depend substantially on financing activities to provide us with the liquidity and capital resources we need to meet our working capital requirements and to make capital investments in connection with ongoing operations. For the six months ended June 30, 2016 we have meet these requirements primarily by issuance of our convertible promissory notes. The Company expects its current capital resources to meet our basic operating requirements for approximately twelve months.

### **Operating Activities**

For the six months ended June 30, 2016, net cash used in operating activities was \$201,630, compared to net cash used of \$23,165 in the prior year. The operating cash flow performance primarily reflects the increase in net loss due to increase in general and administrative expenses for new company formation and preparation costs for listing on the OTC, the increase in inventories and other payables and accrued liabilities.

### **Investing Activities**

For the six months ended June 30, 2016, net cash used in investing activities was \$12,693, reflecting the purchase of property and equipment. For the six months ended June 30, 2015, net cash used in investing activities was \$2,549, reflecting the purchase of property and equipment, and trademark.

### **Financing Activities**

For the six months ended June 30, 2016, net cash provided by financing activities was \$553,761 sourced from proceeds of convertible notes payable and advances from directors.

For the six months ended June 30, 2016, the Company issued several convertible promissory notes (collectively the "Convertible Notes") to 54 accredited investors in an aggregated principal amount of \$375,900. The Convertible Notes bear no interest with a maturity of two years, due in 2017 & 2018. The principal is payable in a lump sum at maturity. The conversion price of thirty two notes is \$0.2 per share, while the conversion price of remaining notes is \$0.4 per share. The notes are convertible into shares of the Company's common stock either 1) at the option of the holders, or 2) upon a Qualified Financing of the Company. The details are summarized as follows:

<u>Agreement Date</u>	<u>Maturity Date</u>	<u>Number of investors</u>	<u>Principal Amount</u>	<u>Conversion price</u>
1/10/2016	1/10/2018	1	20,000	0.20
1/17/2016	1/17/2018	2	4,000	0.20
1/22/2016	1/22/2018	10	42,000	0.20
1/26/2016	1/26/2018	4	80,000	0.20
1/27/2016	1/27/2018	1	2,000	0.20
1/28/2016	1/28/2018	1	10,000	0.20
1/29/2016	1/29/2018	5	38,000	0.20
2/20/2016	2/20/2018	1	4,000	0.20
4/1/2016	4/1/2018	7	49,900	0.20
4/8/2016	4/8/2018	1	4,000	0.40
4/27/2016	4/27/2018	9	52,000	0.40
5/20/2016	5/20/2018	3	18,000	0.40
6/4/2016	6/4/2018	3	28,000	0.40
6/7/2016	6/7/2018	1	4,000	0.40
6/14/2016	6/14/2018	1	4,000	0.40
6/27/2016	6/27/2018	1	4,000	0.40
6/28/2016	6/28/2018	1	4,000	0.40

	6/29/2016	6/29/2018	1	4,000	0.40
	6/30/2016	6/30/2018	1	4,000	0.40
Total	-	-	54	375,900	-

In the event that the Company issues and sells shares of its Equity Securities to investors (the “Investors”) on or before the date of the prepayment in full of this Note via equity financing resulting in gross proceeds to the Company of at least \$800,000 (including the conversion of the Notes and other debt) (a “Qualified Financing”), then the unpaid principal balance of this Note shall automatically convert in whole without any further action by the Holder into such Equity Securities. The IPO offering will trigger automatic conversion of the Convertible Notes if the Company sells more than \$800,000 of equity.

In regards to all of the above transactions we claim an exemption from registration afforded by Section 4(2) and/or Regulation S of the Securities Act of 1933, as amended (“Regulation S”) for the above sales of the Convertible Notes since the sales of the Convertible Notes were made to non-U.S. persons (as defined under Rule 902 section (k)(2)(i) of Regulation S), pursuant to offshore transactions, and no directed selling efforts were made in the United States by the issuer, a distributor, any of their respective affiliates, or any person acting on behalf of any of the foregoing.

### **Capital Expenditures**

Our capital expenditures primarily relate to the acquisition of property and equipment. Our capital expenditures for the six months periods ended June 30, 2016 was \$12,693.

### **Credit Facilities**

We do not have any credit facilities or other access to bank credit.

### **Contractual Obligations, Commitments and Contingencies**

We currently have a lease agreement in place with respect to office premises in Malaysia to commence our business operations.

For the period from November 2015 to June 30, 2016, the Company issued several convertible promissory notes (collectively the “Convertible Notes”) to 79 accredited investors in an aggregated principal amount of \$617,400. The Convertible Notes bear no interest with a maturity of two years, due in 2017 & 2018. The principal is payable in a lump sum at maturity. The conversion price of two notes is \$0.1 per share, the conversion price of fifty five notes is \$0.2 per share, and the conversion price of twenty two notes is \$0.4. The notes are convertible into shares of the Company’s common stock either 1) at the option of the holders, or 2) upon a Qualified Financing of the Company. The details are summarized as follows:

<u>Agreement Date</u>	<u>Maturity Date</u>	<u>Number of investors</u>	<u>Principal Amount</u>	<u>Conversion price</u>
11/19/2015	11/19/2017	2	28,000	0.10
11/20/2015	11/20/2017	23	213,500	0.20
1/10/2016	1/10/2018	1	20,000	0.20
1/17/2016	1/17/2018	2	4,000	0.20
1/22/2016	1/22/2018	10	42,000	0.20
1/26/2016	1/26/2018	4	80,000	0.20
1/27/2016	1/27/2018	1	2,000	0.20
1/28/2016	1/28/2018	1	10,000	0.20
1/29/2016	1/29/2018	5	38,000	0.20
2/20/2016	2/20/2018	1	4,000	0.20
4/1/2016	4/1/2018	7	49,900	0.20
4/8/2016	4/8/2018	1	4,000	0.40
4/27/2016	4/27/2018	9	52,000	0.40
5/20/2016	5/20/2018	3	18,000	0.40
6/4/2016	6/4/2018	3	28,000	0.40
6/7/2016	6/7/2018	1	4,000	0.40
6/14/2016	6/14/2018	1	4,000	0.40
6/27/2016	6/27/2018	1	4,000	0.40
6/28/2016	6/28/2018	1	4,000	0.40
6/29/2016	6/29/2018	1	4,000	0.40
6/30/2016	6/30/2018	1	4,000	0.40
<b>Total</b>	-	79	617,400	-

In the event that the Company issues and sells shares of its Equity Securities to investors (the “Investors”) on or before the date of the prepayment in full of this Note in an equity financing resulting in gross proceeds to the Company of at least \$800,000 (including the conversion of the Notes and other debt) (a “Qualified Financing”), then the unpaid principal balance of this Note shall automatically convert in whole without any further action by the Holder into such Equity Securities. This offering will trigger automatic conversion of the Convertible Notes if the Company sells more than \$800,000 of equity.

### **Off-balance Sheet Arrangements**

We have no significant off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in our financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that are material to our stockholders as of June 30, 2016.



## Recent accounting pronouncements

FASB issues various Accounting Standards Updates relating to the treatment and recording of certain accounting transactions. On June 10, 2014, the Financial Accounting Standards Board issued Accounting Standards Update (ASU) No. 2014-10, Development Stage Entities (Topic 915) - Elimination of Certain Financial Reporting Requirements, Including an Amendment to Variable Interest Entities Guidance in Topic 810, Consolidation, which eliminates the concept of a development stage entity (DSE) entirely from current accounting guidance. The Company has elected adoption of this standard, which eliminates the designation of DSEs and the requirement to disclose results of operations and cash flows since inception.

In May 2014, the FASB issued Accounting Standards Update No. 2014-09, "Revenue from Contracts with Customers" ("ASU 2014-09"). ASU 2014-09 supersedes the revenue recognition requirements in "Revenue Recognition (Topic 605)", and requires entities to recognize revenue when it transfers promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled to in exchange for those goods or services. ASU 2014-09 is effective for annual reporting periods beginning after December 15, 2016, including interim periods within that reporting period. Early adoption is not permitted. In August 2015, the FASB issued an Accounting Standards Update to defer by one year the effective dates of its new revenue recognition standard until annual reporting periods beginning after January December 15, 2017 (2018 for calendar-year public entities) and interim periods therein. Management is currently assessing the impact the adoption of ASU 2014-09 and has not determined the effect of the standard on our ongoing financial reporting. We do not expect the adoption of this new standard to have a material impact on our consolidated financial statements.

In August 2014, the FASB issued ASU 2014-15, "Presentation of Financial Statements - Going Concern, Disclosure of Uncertainties about an Entity's Ability to Continue as a Going Concern" ("ASU 2014-15"), which establishes management's responsibility to evaluate whether there is substantial doubt about an entity's ability to continue as a going concern and, if so, to provide related footnote disclosures. ASU 2014-15 provides a definition of the term "substantial doubt" and requires an assessment for a period of one year after the date that the financial statements are issued or available to be issued. Management will also be required to evaluate and disclose whether its plans alleviate that doubt. The guidance is effective for the annual periods ending after December 15, 2016 and interim periods thereafter with early adoption permitted. The Company is currently evaluating the impact the adoption of ASU 2014-15 on the Company's financial statement presentation and disclosures. We do not expect the adoption of this new standard to have a material impact on our consolidated financial statements.

The Company has reviewed all recently issued, but not yet effective, accounting pronouncements and do not believe the future adoption of any such pronouncements may be expected to cause a material impact on its financial condition or the results of its operations

## Additional Information

### *VIE STRUCTURE AND ARRANGEMENTS*

On June 27, 2016, DSwiss (HK) Limited ("DSHK") entered into a Management Services Agreement (the "Management Services Agreement I") which entitles DSHK to substantially entitled to all of the economic benefits of DSwiss Biotech Sdn Bhd ("DSBT") in consideration of services provided by DSHK to DSBT. Pursuant to the Management Services Agreement I, DSHK has the exclusive right to provide to DSBT management, financial and other services related to the operation of DSBT's business, and DSBT is required to take all commercially reasonable efforts to permit and facilitate the provision of the services provided by DSHK. As compensation for providing the services, DSHK is entitled to receive a fee from DSBT, upon demand, equal to 100% of the annual net profits of DSBT during the term of the Management Services Agreement I. DSHK may also request ad hoc quarterly payments of the aggregate fee, which payments will be credited against DSBT's future payment obligations.

The Management Services Agreement I also provides DSHK, or its designee, with a right of first refusal to acquire all or any portion of the equity of DSBT upon any proposal by the sole shareholder of DSBT to transfer such equity. In addition, at the sole discretion of DSHK, DSBT is obligated to transfer to DSHK, or its designee, any part or all of the business, personnel, assets and operations of DSBT which may be lawfully conducted, employed, owned or operated by DSHK, including:

- (a) business opportunities presented to, or available to DSBT may be pursued and contracted for in the name of DSHK rather than DSBT, and at its discretion, DSHK may employ the resources of DSBT to secure such opportunities;
- (b) any tangible or intangible property of DSBT, any contractual rights, any personnel, and any other items or things of value held by DSBT may be transferred to DSHK at book value;
- (c) real property, personal or intangible property, personnel, services, equipment, supplies and any other items useful for the conduct of the business may be obtained by DSHK by acquisition, lease, license or otherwise, and made available to DSBT on terms to be determined by agreement between DSHK and DSBT;
- (d) contracts entered into in the name of DSBT may be transferred to DSHK, or the work under such contracts may be subcontracted, in whole or in part, to DSHK, on terms to be determined by agreement between DSHK and DSBT; and
- (e) any changes to, or any expansion or contraction of, the business may be carried out in the exercise of the sole discretion of DSHK, and in the name of and at the expense of, DSHK; provided, however, that none of the foregoing may cause or have the effect of terminating (without being substantially replaced under the name of DSHK) or adversely affecting any license, permit or regulatory status of DSBT.

In addition, DSHK entered into certain agreements with Jervey Choon, (the "DSBT shareholder"), including

- (i) a Call Option Agreement allowing DSHK to acquire the shares of DSBT as permitted by Malaysia laws;
- (ii) a Shareholders' Voting Rights Proxy Agreement that provides DSHK with the voting rights of the DSBT; and
- (iii) an Equity Pledge Agreement that pledges the shares in DSBT.

This VIE structure provides DSHK, a wholly-owned subsidiary of DSwiss Holding Limited, which is the wholly-owned subsidiary of DSwiss Inc, with control over the operations and benefits of DSBT without having a direct equity ownership in DSBT.

On June 27, 2016, DSHK also entered into a Management Services Agreement (the “Management Services Agreement II”) which entitles DSHK to substantially entitled to all of the economic benefits of DS Asia Co., Ltd (“DSAC”) in consideration of services provided by DSHK to DSAC. Pursuant to the Management Services Agreement II, DSHK has the exclusive right to provide to DSAC management, financial and other services related to the operation of DSAC’s business, and DSAC is required to take all commercially reasonable efforts to permit and facilitate the provision of the services provided by DSHK. As compensation for providing the services, DSHK is entitled to receive a fee from DSAC, upon demand, equal to 100% of the annual net profits of DSAC during the term of the Management Services Agreement II. DSHK may also request ad hoc quarterly payments of the aggregate fee, which payments will be credited against DSAC’s future payment obligations.

The Management Services Agreement II also provides DSHK, or its designee, with a right of first refusal to acquire all or any portion of the equity of DSAC upon any proposal by the sole shareholder of DSAC to transfer such equity. In addition, at the sole discretion of DSHK, DSAC is obligated to transfer to DSHK, or its designee, any part or all of the business, personnel, assets and operations of DSAC which may be lawfully conducted, employed, owned or operated by DSHK, including:

- (a) business opportunities presented to, or available to DSAC may be pursued and contracted for in the name of DSHK rather than DSAC, and at its discretion, DSHK may employ the resources of DSAC to secure such opportunities;
- (b) any tangible or intangible property of DSAC, any contractual rights, any personnel, and any other items or things of value held by DSAC may be transferred to DSHK at book value;
- (c) real property, personal or intangible property, personnel, services, equipment, supplies and any other items useful for the conduct of the business may be obtained by DSHK by acquisition, lease, license or otherwise, and made available to DSAC on terms to be determined by agreement between DSHK and DSAC;
- (d) contracts entered into in the name of DSAC may be transferred to DSHK, or the work under such contracts may be subcontracted, in whole or in part, to DSHK, on terms to be determined by agreement between DSHK and DSAC; and
- (e) any changes to, or any expansion or contraction of, the business may be carried out in the exercise of the sole discretion of DSHK, and in the name of and at the expense of, DSHK; provided, however, that none of the foregoing may cause or have the effect of terminating (without being substantially replaced under the name of DSHK) or adversely affecting any license, permit or regulatory status of DSAC.

In addition, DSHK entered into certain agreements with each of Ms. Wereya Limpasuthum, Ms. Kanittha Tharanut, (collectively, the “DSAC shareholders”), including

- (iv) a Call Option Agreement allowing DSHK to acquire the shares of DSAC as permitted by Thailand laws;
- (v) a Shareholders’ Voting Rights Proxy Agreement that provides DSHK with the voting rights of the DSAC; and
- (vi) an Equity Pledge Agreement that pledges the shares in DSAC.

This VIE structure provides DSHK, a wholly-owned subsidiary of DSwiss Holding Limited, which is the wholly-owned subsidiary of DSwiss Inc, with control over the operations and benefits of DSAC without having a direct equity ownership in DSAC.

### **Item 3 Quantitative and Qualitative Disclosures About Market Risk.**

As a “smaller reporting company” as defined by Item 10 of Regulation S-K, the Company is not required to provide information required by this Item.

### **Item 4 Controls and Procedures.**

#### **Evaluation of Disclosure Controls and Procedures:**

We carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) as of June 30, 2016. This evaluation was carried out under the supervision and with the participation of our Chief Executive Officer and our Chief Financial Officer. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of June 30, 2016, our disclosure controls and procedures were not effective due to the presence of material weaknesses in internal control over financial reporting.

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company’s annual or interim financial statements will not be prevented or detected on a timely basis. Management has identified the following material weaknesses which have caused management to conclude that, as of June 30, 2016, our disclosure controls and procedures were not effective: (i) inadequate segregation of duties and effective risk assessment; and (ii) insufficient written policies and procedures for accounting and financial reporting with respect to the requirements and application of both US GAAP and SEC guidelines.

#### **Changes in Internal Control over Financial Reporting:**

There were no changes in our internal control over financial reporting during the quarter ending June 30, 2016, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II — OTHER INFORMATION

### Item 1. Legal Proceedings

We know of no materials, active or pending legal proceedings against us, nor are we involved as a plaintiff in any material proceedings or pending litigation. There are no proceedings in which any of our directors, officers or affiliates, or any beneficial shareholder are an adverse party or has a material interest adverse to us.

### Item 1A. Risk Factors.

We are a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934 and are not required to provide the information under this item.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

For the period from November 2015 to June 30, 2016, the Company issued several convertible promissory notes (collectively the “Convertible Notes”) to 79 accredited investors in an aggregated principal amount of \$617,400. The Convertible Notes bear no interest with a maturity of two years, due in 2017 & 2018. The principal is payable in a lump sum at maturity. The conversion price of two notes is \$0.1 per share, the conversion price of fifty five notes is \$0.2 per share, and the conversion price of twenty two notes is \$0.4. The notes are convertible into shares of the Company’s common stock either 1) at the option of the holders, or 2) upon a Qualified Financing of the Company. The details are summarized as follows:

Agreement Date	Maturity Date	Number of investors	Principal Amount	Conversion price
11/19/2015	11/19/2017	2	28,000	0.10
11/20/2015	11/20/2017	23	213,500	0.20
1/10/2016	1/10/2018	1	20,000	0.20
1/17/2016	1/17/2018	2	4,000	0.20
1/22/2016	1/22/2018	10	42,000	0.20
1/26/2016	1/26/2018	4	80,000	0.20
1/27/2016	1/27/2018	1	2,000	0.20
1/28/2016	1/28/2018	1	10,000	0.20
1/29/2016	1/29/2018	5	38,000	0.20
2/20/2016	2/20/2018	1	4,000	0.20
4/1/2016	4/1/2018	7	49,900	0.20
4/8/2016	4/8/2018	1	4,000	0.40
4/27/2016	4/27/2018	9	52,000	0.40
5/20/2016	5/20/2018	3	18,000	0.40
6/4/2016	6/4/2018	3	28,000	0.40
6/7/2016	6/7/2018	1	4,000	0.40
6/14/2016	6/14/2018	1	4,000	0.40
6/27/2016	6/27/2018	1	4,000	0.40
6/28/2016	6/28/2018	1	4,000	0.40
6/29/2016	6/29/2018	1	4,000	0.40
6/30/2016	6/30/2018	1	4,000	0.40
Total	-	79	617,400	-

In regards to all of the above transactions we claim an exemption from registration afforded by Section 4(2) and/or Regulation S of the Securities Act of 1933, as amended (“Regulation S”) for the above sales of the Convertible Notes since the sales of the Convertible Notes were made to non-U.S. persons (as defined under Rule 902 section (k)(2)(i) of Regulation S), pursuant to offshore transactions, and no directed selling efforts were made in the United States by the issuer, a distributor, any of their respective affiliates, or any person acting on behalf of any of the foregoing.

### Item 3. Defaults Upon Senior Securities

None

### Item 4. Mine Safety Disclosures

Not applicable.

### Item 5. Other Information.

None.

**ITEM 6. Exhibits**

Exhibit No.	Description
10.1	Management Services Agreement, dated June 27, 2016, by and between DSwiss Biotech Sdn Bhd and DSwiss (HK) Limited*
10.2	Shareholders' Voting Rights Proxy Agreement, dated June 27, 2016 , by and among DSwiss Biotech Sdn Bhd , its shareholder and DSwiss (HK) Limited*
10.3	Equity Pledge Agreement, dated June 27, 2016, by and among DSwiss Biotech Sdn Bhd , its shareholder and DSwiss (HK) Limited*
10.4	Call Option Agreement, dated June 27, 2016, by and among DSwiss Biotech Sdn Bhd , its shareholder and DSwiss (HK) Limited*
10.5	Management Services Agreement, dated June 27, 2016, by and between DS Asia Co., Ltd and DSwiss (HK) Limited*
10.6	Shareholders' Voting Rights Proxy Agreement, dated June 27, 2016 , by and among DS Asia Co., Ltd, its shareholders and DSwiss (HK) Limited*
10.7	Equity Pledge Agreement, dated June 27, 2016, by and among DS Asia Co., Ltd, its shareholders and DSwiss (HK) Limited*
10.8	Call Option Agreement, dated June 27, 2016, by and among DS Asia Co., Ltd, its shareholders and DSwiss (HK) Limited*
31.1	Rule 13(a)-14(a)/15(d)-14(a) Certification of principal executive officer*
31.2	Rule 13(a)-14(a)/15(d)-14(a) Certification of principal financial officer *
32.1	Section 1350 Certification of principal executive officer *
32.2	Section 1350 Certification of principal financial officer *
101.INS	XBRL Instance Document*
101.SCH	XBRL Schema Document*
101.CAL	XBRL Calculation Linkbase Document*
101.DEF	XBRL Definition Linkbase Document*
101.LAB	XBRL Label Linkbase Document*
101.PRE	XBRL Presentation Linkbase Document*

\* Filed herewith.

**SIGNATURES**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

DSWISS, INC.  
(Name of Registrant)

Date: August 15, 2016

By: /s/ *Leong Ming Chia*  
Title: Chief Executive Officer, President, Director  
(Principal Executive Officer)

Date: August 15, 2016

By: /s/ *Chua Lee Yee*  
Title: Chief Financial Officer, Secretary, Treasurer,  
Director (Principal Financial Officer,  
Principal Accounting Officer)



MANAGEMENT SERVICES AGREEMENT

BETWEEN

DSWISS (HK) LIMITED

AND

DSWISS BIOTECH SDN BHD

JUNE 27, 2016

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## MANAGEMENT SERVICES AGREEMENT

This MANAGEMENT SERVICES AGREEMENT (“*Agreement*”) is entered into as of June 27, 2016 (the “*Effective Date*”), by and between the following (each a “*Party*” and together the “*Parties*”):

(i) DSWISS BIOTECH SDN BHD. (“DSBT”)

Registered Address: A-08-06, Tropicana Avenue, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor, Malaysia

(ii) DSWISS (HK) LIMITED. (“DSHK”)

Registered Address: Rm 405, 4/F Energy Plaza, Tsim Sha Tsui East, Kowloon, Hong Kong

### RECITALS

This Agreement is entered into with reference to the following facts:

A. DSBT is a limited liability company incorporated under the laws of Malaysia. DSBT is 60% owned by JERVEY CHOON and 40% owned by DSHK (collectively, the “*Nominee Shareholders*”). DSBT is engaged in biotechnology and trading business in Malaysia (together with any expansion, contraction or other change to the scope of that business as contemplated by this Agreement, the “*Business*”).

B. DSHK is a limited liability company incorporated under the laws of Hong Kong. DSHK is 100% owned by DSwiss Holding Limited., a Seychelles company, and subsequent owned by DSwiss Inc., a Nevada company. DSHK has executive and financial management experience and capability relevant to the Business.

C. DSBT desires to engage DSHK to provide management, financial and other services in connection with the operation of the Business, and DSHK desires to provide those services to DSBT. The Parties now desire to memorialize the terms and conditions pursuant to which those services will be provided by DSHK to DSBT, and pursuant to which DSBT will compensate DSHK therefor.

**NOW, THEREFORE**, in consideration for the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, and through friendly consultation, under the principle of equality and mutual benefits, in accordance with the relevant laws and regulations of Hong Kong, the Parties agree as follows:

### AGREEMENT

1. **Management Services**. During the Term of this Agreement, DSHK will identify and provide to DSBT executive and financial management personnel in sufficient numbers and with expertise and experience appropriate to provide the services identified in Appendix I, as it may be amended from time to time by written agreement of the Parties (the “*Management Services*”), and will provide those Services to DSBT. DSBT will take all commercially reasonable actions to permit and facilitate the provision of the Management Services by DSHK and accept those Services.

2. **Compensation to DSHK** . As compensation for providing the Management Services, DSHK will be entitled to receive a fee (the “ **Management Services Fee** ”), upon demand, equal to one hundred percent (100%) of the annual Net Profit of DSBT during the Term of this Agreement. At the sole discretion of DSHK, the Net Profit of DSBT shall be calculated through the end of the immediately preceding fiscal year of DSBT, and paid by DSBT to DSHK within sixty (60) days of demand therefor. Until and unless such demand is made, the Management Services Fee is not due and payable to DSHK and it is the intent of the Parties that the Fee represents shall not be accrued by DSBT. Any dispute between the Parties concerning any calculation or payment under this Section 2 will be resolved pursuant to the dispute resolution provisions of Section 15 .

For the purpose of this agreement, Net Profit means the net profit of DSBT for the period immediately preceding the date for calculation of Net Profit set out in the Agreement, calculated as follows: (a) all revenue or income accrued by DSBT, less (b) all costs, accrued expenses and taxes paid or accrued and payable.

3. **Ad Hoc Payment** . The Parties acknowledge that in order to provide the Management Services under this Agreement, DSHK may incur expenses and costs from time to time, and the Parties further agree that DSHK may request an ad hoc payment every calendar quarter and such payment may be credited against DSBT’s future payment obligations of the Management Services Fee.

4. **Credit for Amounts Paid Under Other Agreements** . DSHK and DSBT are or may be parties to certain other agreements, such as the Technical Service Agreement, some or all of which may require certain payments to be made by DSBT to affiliates and/or designee of DSHK in consideration for services, equipment or other items of value provided by affiliates and/or designee of DSHK. The Parties agree that any and all such amounts may be (a) separately paid by DSBT and accordingly counted as expenses of DSBT, reducing DSBT’s Net Profit; or (b) included in the aggregate Net Profit of DSBT and not separately paid to DSHK.

5. **Interest Penalty** . If any amounts due and payable under this Agreement are not paid when due, interest will accumulate on such amounts at the rate of four percent (4%) per annum until paid. This interest penalty may be reduced or waived by the Party entitled to receive it in light of actual circumstances, including the reason for any delay in payment.

6. **Guarantees** . To the extent and only to the extent permitted by applicable law, each Party agrees to act as a guarantor of the indebtedness of the other, as and only as follows:

- (a) DSBT will not incur any indebtedness to any Person not a party to this Agreement without the advance written consent of DSHK in the exercise of its obligations to provide comprehensive Management Services under this Agreement.
- (b) DSHK may, in the exercise of its reasonable business judgment, incur indebtedness to any Person not a party to this Agreement, provided that any such indebtedness may only be in connection with the Business. If DSHK incurs any indebtedness as contemplated by this Section 6(b), DSBT will act as a guarantor of that indebtedness.

7. **Exclusivity** . During the Term of this Agreement, (a) DSBT will not contract with any other Person to provide services which are the same or similar to the Management Services. For purposes of this Section 7 only, "Person" does not include any Affiliate of either Party, including other entities that may become affiliated with either Party.

8. **Operation of Business** . During the Term of this Agreement:

(a) The DSBT will ensure that:

- (i) the business of DSBT, together with all business opportunities presented to or which become available to DSBT, will be treated as part of the Business covered by the Management Services and this Agreement;
- (ii) all cash of DSBT will be maintained in Company Bank Accounts or disposed of in accordance with this Agreement;
- (iii) all business income, working capital, recovered accounts receivable, and any other funds which come into the possession of DSBT or are derived from or related to the operation of the business of DSBT, are deposited into a Company Bank Account;
- (iv) all accounts payable, employee compensation and other employment-related expenses, and any payments in connection with the acquisition of any assets for the benefit of DSBT or the satisfaction of any liabilities of DSBT, are paid from amounts maintained in Company Bank Accounts;
- (v) DSHK or any third party designated by DSHK will have full access to the financial records of DSBT and from time to time, DSHK may request, at its sole option, to conduct an auditing with regard to the financial status of DSBT;
- (vi) no action is taken without the prior written consent of DSHK that would have the effect of entrusting all or any part of the business of DSBT to any other Person.

(b) DSHK will ensure that:

- (i) it exercises with respect to the conduct of the Business the same level of care it exercises with respect to the operation of its own business and will at all times act in accordance with its Reasonable Business Judgment, including taking no action which it knows, or in the exercise of its Reasonable Business Judgment should have known, would materially adversely affect the status of any of permits, licenses and approvals necessary for the conduct of the Business or constitute a violation of all Legal Requirements;
- (ii) neither it, nor any of its agents or representatives, takes any action that interferes with, or has the effect of interfering with, the operation of the Business in accordance with this Agreement, or which materially adversely affects its assets, operations, business or prospects;
- (iii) use its Best Efforts to cooperate and assist DSBT to maintain in effect all permits, licenses and other authorizations and approvals necessary or appropriate to the conduct of the Business; and
- (iv) subject to the provisions of Section 10 relating to the Transition period, it will preserve intact the business and operations of DSBT and take no action which it knows, or in the exercise of its Reasonable Business Judgment should have known, would materially adversely affect the business, operations, or prospects of DSBT.

9. **Material Actions** . The Parties acknowledge and agree that the economic risk of the operation of the Business is being substantially assumed by DSBT and that the continued business success of DSBT is necessary to permit the Parties to realize the benefits of this Agreement. During the Term of this Agreement, the Parties therefore will ensure that DSBT does not take any Material Action without the advance written consent of DSHK, which consent will not be unreasonably withheld or delayed.

10. **Transition of Business to DSHK; Future Expansion** . At the sole discretion of DSHK, during the Term of this Agreement, DSHK may transfer or cause to be transferred from DSBT to DSHK or its designee (referred to collectively for purposes of this Section 10 as “DSHK”) any part or all of the business, personnel, assets and operations of DSBT which may be lawfully conducted, employed, owned or operated by DSHK (the “Transition”), including any of the following:

- (a) business opportunities presented to, or available to DSBT may be pursued and contracted for in the name of DSHK rather than DSBT, and at its discretion DSHK may employ the resources of DSBT to secure such opportunities;
- (b) any tangible or intangible property of DSBT, any contractual rights, any personnel, and any other items or things of value held by DSBT may be transferred to DSHK at book value;
- (c) real property, personal or intangible property, personnel, services, equipment, supplies and any other items useful for the conduct of the Business may be obtained by DSHK by acquisition, lease, license or otherwise, and made available to DSBT on terms to be determined by agreement between DSHK and DSBT;
- (d) contracts entered into in the name of DSBT may be transferred to DSHK, or the work under such contracts may be subcontracted, in whole or in part, to DSHK, on terms to be determined by agreement between DSHK and DSBT; and
- (e) any changes to, or any expansion or contraction of, the Business may be carried out in the exercise of the sole discretion of DSHK, and in the name of and at the expense of, DSHK;

*provided, however* , that none of the foregoing, and no other part of the Transition may cause or have the effect of terminating (without being substantially replaced under the name of DSHK) or adversely affecting any license, permit or regulatory status of DSBT. Any of the activity contemplated by this Section10 will be deemed part of the “Business.”

11. **Ownership of Intellectual Property** . All Intellectual Property created by DSHK in the course of providing the Management Services will be the sole property of DSHK and DSBT will have no right to any ownership or use of such Intellectual Property except under separate written agreement with DSHK.

12. **Representations and Warranties of DSBT** . DSBT hereby makes the following representations and warranties for the benefit of DSHK:

- (a) **Corporate Existence and Power** . DSBT is a limited liability company duly organized and validly existing under the laws of Malaysia, and has all legal or corporate power and all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted and as currently contemplated to be conducted. DSBT has never approved, or commenced any proceeding or made any election contemplating, the dissolution or liquidation of DSBT or the winding up or cessation of the business or affairs of DSBT.
- (b) **Authorization; No Consent** . DSBT (i) has taken all necessary corporate and other actions to authorize its execution, delivery and performance of this Agreement and all related documents and has the corporate and other power and authorization to execute, deliver and perform this Agreement and the other related documents; (ii) has the absolute and unrestricted right, power, authority, and capacity to execute and deliver this Agreement and the other related documents and to perform its obligations under this Agreement and the other related documents; (iii) is not required to give any notice to or obtain any Consent from any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any of the transactions or actions contemplated by any of the Business Cooperation Agreements, except for any notices that have been duly given or Consents that have been duly obtained; and (iv) holds all the governmental authorizations necessary to permit it to lawfully conduct and operate its business in the manner it currently conducts and operates such business and to permit DSBT to own and use its assets in the manner in which it currently owns and uses such assets. To the best knowledge of DSBT, there is no basis for any governmental authority to withdraw, cancel or cease in any manner any of such governmental authorizations.
- (c) **No Conflicts** . The execution and perform of this Agreement by DSBT will not contravene, conflict with, or result in violation of (i) any provision of the organizational documents of DSBT; (ii) resolution adopted by the board of directors or the equity holders of DSBT; and (iii) any laws and regulations to which DSBT or the transactions and relationships contemplated in this Agreement.

13. **Representations and Warranties of DSHK** . DSHK hereby makes the following representations and warranties for the benefit of DSBT.:

- (a) **Corporate Existence and Power** . DSHK (i) is a limited liability company duly organized and validly existing under the laws of Hong Kong, and has all corporate power and all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted and as currently contemplated to be conducted; and (ii) has not ever approved, or commenced any proceeding or made any election contemplating, the dissolution or liquidation of DSHK or the winding up or cessation of the business or affairs of DSHK.
- (b) **Authorization; No Consent** . DSHK (i) has taken all necessary corporate actions to authorize its execution, delivery and performance of this Agreement and all related documents and has the corporate power and authorization to execute, deliver and perform this Agreement and the other related documents; (ii) has the absolute and unrestricted right, power, authority, and capacity to execute and deliver this Agreement and the other related documents and to perform its obligations under this Agreement and the other related documents; (iii) is not required to give any notice to or obtain any Consent from any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any of the Business Cooperation Agreements, except for any notices that have been duly given or Consents that have been duly obtained; and (iv) has all the governmental authorizations necessary to permit DSHK to lawfully conduct and operate its business in the manner it currently conducts and operates such business and to permit DSHK to own and use its assets in the manner in which it currently owns and uses such assets. To the best knowledge of DSHK, there is no basis for any governmental authority to withdraw, cancel or cease in any manner any of such governmental authorizations.
- (c) **No Conflicts** . The execution and perform of this Agreement by DSHK will not contravene, conflict with, or result in violation of (i) any provision of the organizational documents of DSHK; (ii) any resolution adopted by the board of directors or the equity holders of DSHK; and (iii) any laws and regulations to which DSHK or the transactions and relationships contemplated in this Agreement and the Business Cooperation Agreements are subject.

14. **Liability for Breach; Indemnification and Hold Harmless** . Each of the Parties will be liable to the other Party for any damage or loss caused by such Party's breach of this Agreement. DSBT will indemnify and hold harmless DSHK from and against any claims, losses or damages unless caused by a breach by DSHK of its obligations under this Agreement or by the willful, reckless or illegal conduct of DSHK. DSHK will indemnify and hold harmless DSBT from and against any claims, losses or damages caused by any breach by DSBT of its obligations under this Agreement or by the willful, reckless or illegal conduct of DSBT.

15. **Dispute Resolution** .

- (a) **Friendly Consultations** . Any and all disputes, controversies or claims arising out of or relating to the interpretation or implementation of this Agreement, or the breach hereof or relationships created hereby, will be settled through friendly consultations.
- (b) **Arbitration**. If any such dispute is not resolved through friendly consultations within sixty (60) days from the date a Party gives the other Parties written notice of a dispute, then it will be resolved exclusively by arbitration under in accordance with the UNCITRAL Arbitration Rules as at present in force and as may be amended by the rest of this clause. The appointing authority shall be Hong Kong International Arbitration Centre. The place of arbitration shall be in Hong Kong at Hong Kong International Arbitration Centre (HKIAC). Any arbitration will be conducted in either in English or Chinese languages. The arbitration award will be final and binding on both Parties and will not be subject to any appeal, and the Parties agree to be bound thereby and to act accordingly.
- (c) **Continuation of Agreement** . It is not necessary for any Party to declare a breach of this Agreement in order to proceed with the dispute resolution process set out in this Section 15. Unless and until this Agreement is terminated pursuant to Section 16, this Agreement will continue in effect during the pendency of any discussions or arbitration under this Section 15.

16. **Term** . This Agreement is effective as of the date first set forth above, and will continue in effect for a period of ten (10) years (the “ **Initial Term** ”), and for succeeding periods of the same duration (each, “ **Subsequent Term** ”), until terminated by one of the following means either during the Initial Term or thereafter. The period during which this Agreement is effective is referred to as the “ **Term** .”

- (a) **Mutual Consent** . This Agreement may be terminated at any time by the mutual consent of the Parties, evidenced by an agreement in writing signed by both Parties.
- (b) **Termination by DSHK** . This Agreement may be terminated by DSHK ((i) upon written notice delivered to DSBT no later than ten (10) calendar days before the expiration of the Initial Term or any Subsequent Term; or (ii) at any time by upon ninety (90) calendar days’ written notice delivered to DSBT.
- (c) **Breach or Insolvency** . Either of DSBT or DSHK may terminate this Agreement immediately (a) upon the material breach by the other of its obligations hereunder and the failure of such Party to cure such breach within thirty (30) working days after written notice from the non-breaching Party; or (b) upon the filing of a voluntary or involuntary petition in bankruptcy by the other or of which the other is the subject, or the insolvency of the other, or the commencement of any proceedings placing the other in receivership, or of any assignment by the other for the benefit of creditors.

- (d) **Consequences of Termination** . Upon any effective date of any termination of this Agreement: (i) DSHK will instruct all management personnel identified or provided by it to DSBT to cease working for DSBT; (ii) DSHK will deliver to DSBT all chops and seals of DSBT; (iii) DSHK will deliver to DSBT, or grant to DSBT unrestricted access to and control of, all of the financial and other books and records of DSBT, including any and all permits, licenses, certificates and other proprietary and operational documents and instruments; (iv) DSHK will cooperate fully in the replacement of any signatories or persons authorized to act on behalf of DSBT with persons appointed by DSBT; and (v) any licenses granted by DSHK to DSBT during the Term will terminate unless otherwise agreed by the Parties.
- (e) **Survival** . The provisions of Section 14 (Indemnification; Hold Harmless), Section 15 (Dispute Resolution), Section 16(d) (Consequences of Termination) and Section 17 (Miscellaneous) will survive any termination of this Agreement. Any amounts owing from any Party to any other Party on the effective date of any termination under the terms of this Agreement will continue to be due and owing despite such termination.

**17. Miscellaneous .**

- (a) **Headings and Gender** . The headings of Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to “Section” or “Sections” refer to the corresponding Section or Sections of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the word “including” does not limit the preceding words or terms.
- (b) **Usage** . The words “include” and “including” will be read to include “without limitation.”
- (c) **Severability** . Whenever possible each provision and term of this Agreement will be interpreted in a manner to be effective and valid but if any provision or term of this Agreement is held to be prohibited by or invalid, then such provision or term will be ineffective only to the extent of such prohibition or invalidity, without invalidating or affecting in any manner whatsoever the remainder of such provision or term or the remaining provisions or terms of this Agreement. If any of the covenants set forth in this Agreement are held to be unreasonable, arbitrary, or against public policy, such covenants will be considered divisible with respect to scope, time and geographic area, and in such lesser scope, time and geographic area, will be effective, binding and enforceable against the Parties.
- (d) **Waiver** . No failure or delay by any Party to exercise any right, power or remedy under this Agreement will operate as a waiver of any such right, power or remedy.
- (e) **Integration** . This Agreement supersedes any and all prior discussions and agreements (written or oral) between the Parties with respect to cooperation arrangement and other matters contained herein.



- (f) **Assignments, Successors, and No Third-Party Rights** . No Party may assign any of its rights under this Agreement without the prior consent of the other Parties, which will not be unreasonably withheld. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the Parties to this Agreement and their successors and assigns.
- (g) **Notices** . All notices, requests, demands, claims, and other communications under this Agreement will be in writing. Any Party may send any notice, request, demand, claim, or other communication under this Agreement to the intended recipient at the address set forth on the signature page of this Agreement by any means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication will be deemed to have been duly given unless and until it actually is received by the intended recipient. Refusal by a Party to accept notice that is validly given under this Agreement will be deemed to have been received by such Party upon receipt. Any Party may change the address to which notices, requests, demands, claims, and other communications under this Agreement are to be delivered by giving the other Parties notice in the manner herein set forth. Any notice, request, demand, claim, or other communication under this Agreement will be addressed to the intended recipient as set forth on the signature page hereto.
- (h) **Further Assurances** . Each of the Parties will use its best efforts to take all action and to do all things necessary, proper, or advisable in order to consummate and make effective the transactions contemplated by this Agreement.
- (i) **Governing Law** . This Agreement will be construed, and the rights and obligations under this Agreement determined, in accordance with the laws of the Hong Kong, without regard to the principles of conflict of laws thereunder.
- (j) **Amendment** . This Agreement may not be amended, altered or modified except by a subsequent written document signed by all Parties.

[Signature Page Follows]

IN WITNESS HEREOF, the Parties have caused this Management Services Agreement to be executed in Malaysia as of the date first herein above mentioned.

JERVEY CHOON

Signature by:     /s/ Jervey Choon    

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Signature by:     /s/ Leong Ming Chia      
Name: Leong Ming Chia  
Position: Authorized Representative

For and on behalf of  
DSWISS BIOTECH SDN BHD (Company chop)

Signed by:     /s/ Jervey Choon      
Name: Jervey Choon  
Position: Authorized Representative

## APPENDIX I

### Management Services

For purposes of that certain Management Services Agreement to which this is Appendix A, “*Management Services*” means the following:

#### General Management Services

“Management Services” includes the following general management services relating to the operation of the Business, except for those compulsively limited or prohibited by laws of Hong Kong and regulations otherwise:

- (a) All aspects of the day-to-day operations of DSBT, including its relationships with its customers, its performance under agreements or other arrangements with any other parties, its compliance with applicable laws and regulations;
- (b) The appointment, hiring, compensation (including any bonuses, non-monetary compensation, fringe and other benefits, and equity-based compensation), firing and discipline of all employees, consultants, agents and other representatives of DSBT, including the Executive Director or the Board of Directors of DSBT and all other executive officers or employees of DSBT;
- (c) Establishment, maintenance, termination or elimination of any plan or other arrangement for the benefit of any employees, consultants, agents, representatives or other personnel of DSBT;
- (d) Management, control and authority over all accounts receivable, accounts payable and all funds and investments of DSBT;
- (e) Management, control and authority over DSBT Bank Accounts, in connection with which all seals and signatures will be those of personnel appointed and confirmed by DSHK;
- (f) Any expenditure, including any capital expenditure, of DSBT;
- (g) The entry into, amendment or modification, or termination of any contract, agreement and/or other arrangement to which DSBT is, was, or would become a party;
- (h) The acquisition, lease or license by DSBT of any assets, supplies, real or personal property, or intellectual or other intangible property;
- (i) The acquisition of or entry into any joint venture or other arrangement by DSBT with any other Person;
- (j) Any borrowing or assumption by DSBT of any liability or obligation of any nature, or the subjection of any asset of DSBT to any Lien;
- (k) Any sale, lease, license, retirement or other disposition of any asset owned, beneficially owned or controlled by DSBT;
- (l) Applying for, renewing, and taking any action to maintain in effect, any permits, licenses or other authorizations and approvals necessary for the operation of DSBT’s business;
- (m) The commencement, prosecution or settlement by DSBT of any litigation or other dispute with any other Person, through mediation, arbitration, lawsuit or appeal;
- (n) The declaration or payment of any dividend or other distribution of profits of
- (o) The preparation and filing of all Tax Returns, the payment or settlement of any and all Taxes, and the conduct of any proceedings with any Governmental Authority with respect to any Taxes; and
- (p) The carrying out of the Transition, as defined in Section 10, and any business or corporate restructuring of DSBT or its subsidiaries.



SHAREHOLDER' VOTING RIGHTS PROXY AGREEMENT

AMONG

JERVEY CHOON

DSWISS (HK) LIMITED

AND

DSWISS BIOTECH SDN BHD

JUNE 27, 2016

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## SHAREHOLDER' VOTING RIGHTS PROXY AGREEMENT

This SHAREHOLDER' VOTING RIGHTS PROXY AGREEMENT (this "AGREEMENT") is entered into in Malaysia as of JUNE 27, 2016 by and among the following Parties:

(1) JERVEY CHOON

ADDRESS: [Redacted]

IDENTITY CARD NUMBER: [Redacted]

(2) DSWISS (HK) LIMITED. ("DSHK")

REGISTERED ADDRESS: Rm 405, 4/F Energy Plaza, Tsim Sha Tsui East, Kowloon, Hong Kong

(3) DSWISS BIOTECH SDN BHD. ("DSBT")

REGISTERED ADDRESS: A-08-06, Tropicana Avenue, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor. Malaysia

(The above parties shall hereinafter be individually referred to as a "PARTY" and collectively, "PARTIES". JERVEY CHOON shall hereinafter be individually referred to as a "SHAREHOLDER".)

WHEREAS:

1. As of the date of this Agreement, JERVEY CHOON and DSHK are the enrolled Shareholder of DSBT, legally holding all the equity in DSBT, of which JERVEY CHOON holding 60% interest, DSHK holding 40%.

2. The Shareholder intends to severally entrust the individual designated by DSHK with the exercises of her voting rights in DSBT while DSHK is willing to designate such an individual.

The Parties hereby have reached the following agreement upon friendly consultations:

### **ARTICLE 1 VOTING RIGHTS ENTRUSTMENT**

1.1 The Shareholder hereby irrevocably undertake to sign the Entrustment Letter after execution of the Agreement to entrust the personnel designated by DSHK ("TRUSTEES") then to exercise the following rights enjoyed by them as Shareholder of DSBT in accordance with the then effective articles of association of DSBT (collectively, the "ENTRUSTED RIGHTS"):

(1) Proposing to convene and attending Shareholder' meetings of DSBT as proxy of the Shareholder according to the articles of association of DSBT;

(2) Exercising voting rights as proxy of the Shareholder, on issues discussed and resolved by the Shareholder' meeting of DSBT, including but not limited to the appointment and election for the directors, general manager and other senior management personnel of DSBT.

The above authorization and entrustment is granted subject to the status of trustees as Malaysian citizens and the approval by DSHK. Upon and only upon written notice of dismissing and replacing Trustee(s) given by DSHK to the Shareholder, the Shareholder shall promptly entrust another Malaysian citizen then designated by DSHK to exercise the above Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced; the Shareholder shall not cancel the authorization and entrustment of the Trustee(s) otherwise.

1.2 The Trustees shall perform the entrusted obligation within the scope of entrustment in due care and prudence and in compliance with laws; the Shareholder acknowledge and assume relevant liabilities for any legal consequences of the Trustees' exercise of the foregoing Entrusted Rights.

1.3 The Shareholder hereby acknowledge that the Trustees are not required to seek advice from the Shareholder prior to their respective exercise of the foregoing Entrusted Rights. However, the Trustees shall inform the Shareholder in a timely manner of any resolution or proposal on convening interim Shareholder' meeting after such resolution or proposal is made.

## **ARTICLE 2 RIGHT TO INFORMATION**

2.1 For the purpose of exercising the Entrusted Rights under this Agreement, the Trustees are entitled to know the information with regard to DSBT's operation, business, clients, finance, staff, etc., and shall have access to relevant materials of DSBT. DSBT shall adequately cooperate with the Trustees in this regard.

## **ARTICLE 3 EXERCISE OF ENTRUSTED RIGHTS**

3.1 The Shareholder will provide adequate assistance to the exercise of the Entrusted Rights by the Trustees, including execution of the resolutions of the Shareholder' meeting of DSBT or other pertinent legal documents made by the Trustee when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the entrustment or exercise of the Entrusted Rights under this Agreement is unenforceable for any reason except for default of any Shareholder or DSBT, the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

## **ARTICLE 4 EXEMPTION AND COMPENSATION**

4.1 The Parties acknowledge that DSHK shall not be requested to be liable for or compensate (monetary or otherwise) other Parties or any third party due to exercise of Entrusted Rights by the Trustees designated by DSHK under this Agreement.

4.2 DSBT and the Shareholder agree to compensate DSHK for and hold it harmless against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Trustees designated by DSHK, including without limitation any loss resulting from any litigation, demand arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities.

However, the Shareholder and DSBT will not compensate for losses incurred due to wilful misconduct or gross negligence of DSHK.

## **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

5.1 The Shareholder hereby represents and warrants that:

5.1.1 The Shareholder is a Malaysian citizen with full capacity and with full and independent legal status and legal capacity to execute, deliver and perform this Agreement, and may act independently as a subject of actions.

5.1.2 The Shareholder has full right and authorization to execute and deliver this Agreement and other documents that are related to the transaction referred to herein and to be executed by them. They have full right and authorization with respect to consummate the transaction referred to herein.

5.1.3 This Agreement shall be executed and delivered by the Shareholder lawfully and properly. This Agreement constitutes the legal and binding obligations on her and is enforceable on her in accordance with its terms and conditions hereof

5.1.4 The Shareholder is enrolled and legal Shareholder of DSBT as of the effective date of this Agreement, and except the rights created by this Agreement, the Call Option Agreement entered into by DSHK, DSBT and her on JUNE 27, 2016 (the "CALL OPTION AGREEMENT"), as well as the Equity Pledge Agreement entered into by DSHK and DSBT and her on JUNE 27, 2016 (the "EQUITY PLEDGE AGREEMENT"), there exists no third party right on the Entrusted Rights. Pursuant to this Agreement, the Trustees may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of DSBT.

5.1.5 Considering the fact that according to Equity Pledge Agreement, considering the fact that Shareholder will set aside all the equity interest held thereby in relevant DSBT as security to secure the performance by her of her obligations under the Call Option Agreement entered into between her and DSHK as of JUNE 27, 2016, Shareholder undertakes to make full and due performance of the obligations under Call Option Agreement during the valid term of this Agreement, and she will not be in conflict with any stipulation under Call Option Agreement, which are likely to have impact on the exercise of the Entrusted Rights the Trustees under this Agreement.

5.1.6 Considering the facts that the DSBT entered into the Management Services Agreement (the "SERVICE AGREEMENT") on JUNE 27, 2016 with DSHK, the Call Option Agreement with DSHK and the Shareholder on JUNE 27, 2016, and that the Shareholder of DSBT will set aside all equity interest held thereby in DSBT as security to secure the performance of the contractual obligations under the above two agreements by DSBT, the Shareholder undertakes to, during the valid term of this Agreement, procure the full and due performance of DSBT of any and all its obligations under the Service Agreement, the Call Option Agreement, and warrants that no adverse impact on the exercise of the Entrusted Rights hereunder by the Trustees will be incurred due to the breach of the Management Services Agreement, Call Option Agreement by DSBT.

5.2 DSHK (excluding the person designated by it) hereby represents and warrants that:

5.2.1 it is a company with limited liability properly registered and legally existing under the laws of Hong Kong, with an independent corporate legal person status, and with full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may act independently as a subject of actions; and

5.2.2 it has the full corporate power and authority to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction contemplated hereunder, and has the full power and authority to consummate such transaction.

5.3 DSBT hereby represents and warrants that:

5.3.1 it is a company with limited liability properly registered and legally existing under laws of Malaysia, with an independent legal person status, and with full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may act independently as a subject of actions; and

5.3.2 it has the full corporate power and authority to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction contemplated hereunder, and has the full power and authority to consummate such transaction.

5.3.3 the Shareholder are enrolled Shareholder as of the effective date of this Agreement, legally holding the equity interest in it. Except rights created by this Agreement, the Equity Pledge Agreement and the Call Option Agreement, there exists no third party right on the Entrusted Rights. Pursuant to this Agreement, the Trustees may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of DSBT.



5.3.4 Considering the fact that the Shareholder of DSBT will set aside all the equity interest held thereby in DSBT as security to secure the performance of the contractual obligations by DSBT under the Management Services Agreement, the Call Option Agreement, DSBT undertakes to, during the valid term of this Agreement, make full and due performance of any and all obligations under the Management Services Agreement, the Call Option Agreement, and warrants that no adverse impact on the exercise of the Entrusted Rights hereunder by the Trustees will be incurred due to the breach of the Management Services Agreement, the Call Option Agreement by DSBT.

#### **ARTICLE 6 TERM OF AGREEMENT**

6.1 This Agreement takes effect from the date of due execution of all the Parties hereto, with the valid term of ten (10) years, unless terminated in advance by written agreement of all the Parties or according to Article 8.1 of this Agreement. This Agreement shall automatically renew for another one (1) year when the term (whether original or extended, if applicable) of this Agreement is due, unless DSHK gives a thirty (30) days notice in writing to the other Parties of the cancellation of such renewal.

6.2 In case that the Shareholder transfers all of the equity interest held by it in DSBT with prior consent of DSHK, such Shareholder shall no longer be a Party to this Agreement whilst the obligations and commitments of the other Parties under this Agreement shall not be adversely affected thereby.

#### **ARTICLE 7 NOTICE**

7.1 Any notice, request, demand and other correspondences made as required by or in accordance with this Agreement shall be made in writing and delivered to the relevant Party.

7.2 The abovementioned notice or other correspondences shall be deemed to have been delivered when (i) it is transmitted if transmitted by facsimile or telex, or (ii) it is delivered if delivered in person, or (iii) when five (5) days have elapsed after posting the same if posted by mail.

#### **ARTICLE 8 DEFAULT LIABILITY**

8.1 The Parties agree and confirm that, if any of the Parties (the “DEFAULTING PARTY”) breaches substantially any of the provisions herein or fails substantially to perform any of the obligations hereunder, such a breach or failure shall constitute a default under this Agreement (a “DEFAULT”). In such event any of the other Parties without default (a “NON-DEFAULTING PARTY”) who incurs losses arising from such a Default shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of a Non-defaulting Party’s notifying the Defaulting Party in writing and requiring it to rectify the Default, then the relevant Non-defaulting Party shall be entitled to choose at its discretion to (1) terminate this Agreement and require the Defaulting Party to indemnify all damages, or (2) require specific performance by the Defaulting Party of this Agreement and indemnification against all damages.

8.2 Without limiting the generality of Article 8.1 above, any breach by any Shareholder of the Call Option Agreement or Equity Pledge Agreement shall be deemed as having constituted the breach by such Shareholder of this Agreement; any breach by DSBT of the Management Services Agreement or Call Option Agreement shall be deemed as having constituted the breach by DSBT of this Agreement.

8.3 The Parties agree and confirm, the Shareholder or DSBT shall not request the termination of this Agreement for whatsoever reason and under whatsoever circumstance, except otherwise stipulated by laws or this Agreement.

8.4 Notwithstanding any other provisions herein, the validity of this Article shall not be affected by the suspension or termination of this Agreement.

## ARTICLE 9 MISCELLANEOUS

9.1 This Agreement shall be prepared in English language.

9.2 The conclusion, validity, execution, amendment, interpretation and termination of this Agreement shall be governed by laws of the Malaysia.

9.3 Any disputes arising from and in connection with this Agreement shall be settled through consultations among the Parties involved, and if the Parties involved fail to reach an agreement regarding such a dispute within thirty (30) days of its occurrence, such dispute shall be submitted to Kuala Lumpur Regional Centre for Arbitration for arbitration in Kuala Lumpur accordance with the arbitration rules of such commission, and the arbitration award shall be final and binding on all the Parties involved.

9.4 Any rights, powers and remedies empowered to any Party by any provisions herein shall not preclude any other rights, powers and remedies enjoyed by such Party in accordance with laws and other provisions under this Agreement, and a Party's exercise of any of its rights, powers and remedies shall not preclude its exercise of other rights, powers and remedies of it.

9.5 Any failure or delay by a Party in exercising any of its rights, powers and remedies hereunder or in accordance with laws (the "PARTY'S RIGHTS") shall not lead to a waiver of such rights, and the waiver of any single or partial exercise of the Party's Rights shall not preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

9.6 The titles of the Articles contained herein are for reference only, and in no circumstances shall such titles be used for or affect the interpretation of the provisions

9.7 Each provision contained herein shall be severable and independent from each of other provisions. If at any time any one or more articles herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected thereby.

9.8 Upon execution, this Agreement shall replace any other previous legal documents entered into by relevant Parties on the same subject matter.

9.9 Any amendments or supplements to this Agreement shall be made in writing and shall take effect only when properly signed by the Parties to this Agreement.

9.10 In respect of the Shareholder and DSBT, they shall not assign any of their rights and/or transfer any of their obligations hereunder to any third parties without prior written consent from DSHK; DSHK shall have the right to assign any of its rights and/or transfer any of its obligations hereunder to any third parties designated by it after giving notice to the Shareholder.

9.11 This Agreement shall be binding on the legal successors of the Parties.

[The remainder of this page is left blank]

IN WITNESS HEREOF, the Parties have caused this Shareholder' Voting Rights Proxy Agreement to be executed in Malaysia as of the date first herein above mentioned.

JERVEY CHOON

Signature by: /s/ Jervey Choon

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Signature by: /s/ Leong Ming Chia

Name: Leong Ming Chia  
Position: Authorized Representative

For and on behalf of  
DSWISS BIOTECH SDN BHD (Company chop)

Signed by: /s/ Jervey Choon

Name: Jervey Choon  
Position: Authorized Representative



EQUITY PLEDGE AGREEMENT

AMONG

JERVEY CHOON

DSWISS (HK) LIMITED

AND

DSWISS BIOTECH SDN BHD

JUNE 27, 2016

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## EQUITY PLEDGE AGREEMENT

This EQUITY PLEDGE AGREEMENT (hereinafter, this "AGREEMENT") is entered into in Malaysia as of JUNE 27, 2016 by and among the following Parties:

(1) JERVEY CHOON

ADDRESS: [Redacted]

IDENTITY CARD NUMBER: [Redacted]

(2) DSWISS (HK) LIMITED. ("DSHK")

REGISTERED ADDRESS: Rm 405, 4/F Energy Plaza, Tsim Sha Tsui East, Kowloon, Hong Kong

(3) DSWISS BIOTECH SDN BHD. ("DSBT")

REGISTERED ADDRESS: A-08-06, Tropicana Avenue, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor, Malaysia

(The above parties shall hereinafter be individually referred to as a "PARTY" and collectively, "PARTIES".

JERVEY CHOON hereinafter referred to as an "PLEDGOR"; DSHK hereinafter referred to as a "PLEDGEE".)

### WHEREAS:

(1) As of the date of this Agreement, JERVEY CHOON and DSHK are the enrolled Shareholder of DSBT, legally holding all the equity in DSBT, of which JERVEY CHOON holding 60% interest, DSHK holding 40%.

(2) Pursuant to the Call Option Agreement dated as of JUNE 27, 2016 among DSHK, DSBT and the Pledgor (hereinafter, the "CALL OPTION AGREEMENT"), the Pledgor shall transfer part or all of the equity interest of the DSBT to DSHK and/or any other entity or individual designated by DSHK at the request of the DSHK.

(3) Pursuant to the Shareholders' Voting Right Proxy Agreement dated as of JUNE 27, 2016 among DSHK, DSBT and the Pledgor (hereinafter, the "PROXY AGREEMENT"), Pledgor has already irrevocably entrusted the personnel designated by DSHK then with full power to exercise on her behalf all of her shareholders' voting rights in DSBT.

(4) Pursuant to the Management Services Agreement dated as of JUNE 27, 2016 among DSHK and DSBT (hereinafter, the "SERVICE AGREEMENT"), DSBT has already engaged DSHK exclusively to provide them with relevant management and consultation and other services, for which the DSBT will respectively pay DSHK services accordingly.

(5) As security for performance by the Pledgor of the Contract Obligations (as defined below) and repayment of the Guaranteed Liabilities (as defined below), the Pledgor agrees to pledge all of her DSBT Equity to the Pledgee and grants the Pledgee the right to request for repayment in first priority and DSBT agrees such equity pledge arrangement.

THEREFORE, the Parties hereby have reached the following agreement upon mutual consultations:

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## ARTICLE 1 - DEFINITION

1.1 Except as otherwise construed in the context, the following terms in this Agreement shall be interpreted to have the following meanings:

“CONTRACT OBLIGATIONS” shall mean all contractual obligations of Pledgor under the Call Option Agreement, Proxy Agreement and this Agreement; all contractual obligations of DSBT under the Management Services Agreement, Call Option Agreement, Proxy Agreement and this Agreement.

“GUARANTEED LIABILITIES” shall mean all direct, indirect and consequential losses and losses of foreseeable profits suffered by Pledgee due to any Breaching Event (as defined below) of Pledgor, and all fees incurred by Pledgee for the enforcement of the Contractual Obligations of Pledgor.

“TRANSACTION AGREEMENTS” shall mean the Call Option Agreement and the Proxy Agreement in respect of Pledgor; the Management Services Agreement, and Proxy Agreement in respect of DSBT.

“BREACHING EVENT” shall mean any breach by Pledgor of her Contract Obligations under the Proxy Agreement, Call Option Agreement or this Agreement; any breach by DSBT of its Contract Obligations under the Service Agreement, Call Option Agreement and/or Proxy Agreement.

“PLEGGED PROPERTY” shall mean all of the equity interests in DSBT which are legally owned by the Pledgor as of the effective date hereof and is to be pledged by her to the Pledgee according to provisions hereof as the security for the performance by her and DSBT of their Contractual Obligations, and the increased capital contribution and equity interest described in Articles 2.6 and 2.7 hereof;

“LAWS OF MALAYSIA” shall mean the then valid laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of Malaysia.

1.2 The references to any laws of Malaysia here in shall be deemed:

(1) to include the references to the amendments, changes, supplements and reenactments of such law, irrespective of whether they take effect before or after the formation of this Agreement; and

(2) to include the references to other decisions, notices or regulations enacted in accordance therewith or effective as a result thereof.

1.3 Except as otherwise stated in the context herein, all references to an Article, clause, item or paragraph shall refer to the relevant part of this Agreement.

## ARTICLE 2 - EQUITY PLEDGE

2.1 Pledgor hereby agrees to pledge the Pledged Property, which she legally owns and has the right to dispose of, to Pledgee according to the provisions hereof as the security for the performance of the Contract Obligations and the repayment of the Guaranteed Liabilities. DSBT hereby agrees that the Pledgor legally holding equity interest in it to pledge the Pledged Property to the Pledgee according to the provisions hereof.

2.2 Pledgor hereby undertakes that she will be responsible for, recording the arrangement of the equity pledge hereunder (hereinafter, the “EQUITY PLEDGE”) on the shareholder register of DSBT on the date hereof, and will do its best endeavor to make registration with registration authorities of industry and commerce of DSBT. DSBT undertakes that it will do its best to cooperate with the Pledgor to complete the registration with authorities of industry and commerce under this Article.

2.3 During the valid term of this Agreement, except for the willful misconduct or gross negligence of Pledgee which has direct cause and effect relationship the reduction in value of the Pledged Property, Pledgee shall not be liable in any way to, nor shall Pledgor have any right to claim in any way or propose any demands on Pledgee, in respect of the said reduction in value of the Pledged Property.

2.4 To the extent not violating provision of Article 2.3 above, in case of any possibility of obvious reduction in value of the Pledged Property which is sufficient to jeopardize Pledgee’s rights, Pledgee may at any time auction or sell off the Pledged Property on behalf of Pledgor, and discuss with Pledgor to use the proceeds from such auction or sale-off as pre-repayment of the Guaranteed Liabilities, or may submit such proceeds to the local notary institution where Pledgee are domiciled (any fees incurred in relation thereto shall be borne by Pledgor).

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2.5 DSHK as Pledgee shall be deemed to have created the encumbrance of first order in priority on the Pledged Property, and in case of any Breaching Event, Pledgee shall have the right to dispose of the Pledged Property in the way set out in Article 4 hereof.

2.6 Only upon prior consent by Pledgee shall Pledgor be able to increase their capital contribution to any or all of the DSBT. Further capital contribution made by Pledgor in DSBT shall also be part of the Pledged Property.

2.7 Only upon prior consent by Pledgee shall Pledgor be able to receive dividends or share profits from the Pledged Property. The dividends or the profits received by Pledgor from the Pledged Property shall be deposited into Pledgee's bank account designated by Pledgee respectively, to be under the supervision of Pledgee and used as the Pledged Property to repay in priority the Guaranteed Liabilities.

2.8 Pledgor agrees to bear liabilities to Pledgee upon occurrence of any Breaching Event on the DSBT and Pledgee shall have the right, upon occurrence of the Breaching Event, to dispose of any Pledged Property of either of Pledgor in accordance with the provisions hereof.

### **ARTICLE 3 - RELEASE OF PLEDGE**

In respect of equity interest of DSBT, upon full and complete performance by Pledgor of all of her Contractual Obligations, Pledgee shall, at the request of Pledgor, release the pledge created on DSBT under this Agreement, and shall cooperate with Pledgor to go through the formalities to cancel the record of the Equity Pledge in the shareholder register of DSBT, with the reasonable fees incurred in connection with such release to be borne by Pledgee with the same proportion.

### **ARTICLE 4 - DISPOSAL OF THE PLEDGED PROPERTY**

4.1 Pledgor, DSBT and Pledgee hereby agree that, in case of any Breaching Event, Pledgee shall have the right to exercise, upon giving written notice to Pledgor, all of the remedial rights and powers enjoyable by them under laws of Malaysia, including but not limited to being repayment in priority with proceeds from auctions or sale-offs of the Pledged Property. Pledgee shall not be liable for any loss as the result of their reasonable exercise of such rights and powers.

4.2 Pledgee shall have the right to designate in writing its legal counsel or other agents to exercise on their respective behalf any and all rights and powers set out above, and neither Pledgor nor DSBT shall oppose thereto.

4.3 The reasonable costs incurred by Pledgee in connection with their exercise of any and all rights and powers set out above shall be borne by Pledgor, and Pledgee shall have the right to deduct the costs actually incurred from the proceeds that they acquire from the exercise of the rights and powers.

4.4 The proceeds that Pledgee acquire from the exercise of their respective rights and powers shall be used in the priority order as follows:

- First, to pay any cost incurred in connection with the disposal of the Pledged Property and the exercise by Pledgee of their respective rights and powers (including remuneration paid to their respective legal counsels and agents);
- Second, to pay any taxes and levies payable for the disposal of the Pledged Property; and
- Third, to repay Pledgee for the Guaranteed Liabilities.

In case of any balance after payment of the above amounts, Pledgee shall return the same to Pledgor according to the relevant laws and rules or submit the same to the local notary institution where Pledgee are domiciled (any fees incurred in relation thereto shall be borne by Pledgor).

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## **ARTICLE 5 - FEES AND COSTS**

All costs actually incurred in connection with the establishment of the Equity Pledge hereunder, including but not limited to stamp duties, any other taxes, all legal fees, etc shall be borne by Pledgee with the same proportion.

## **ARTICLE 6 - CONTINUITY AND NO WAIVE**

The Equity Pledge hereunder is a continuous guarantee, with its validity to continue until the full performance of the Contractual Obligations or the full repayment of the Guaranteed Liabilities. Neither exemption or grace period granted by Pledgee to Pledgor in respect of their breach, nor delay by Pledgee in exercising any of their rights under this Agreement shall affect the rights of Pledgee under this Agreement, relevant laws of Malaysia, the rights of Pledgee to demand at anytime thereafter the strict performance of this Agreement by Pledgor or the rights Pledgee may be entitled to due to subsequent breach by Pledgor of the obligations under this Agreement.

## **ARTICLE 7 - REPRESENTATIONS AND WARRANTIES BY PLEDGOR**

Pledgor hereby represents and warrants to Pledgee as follows:

7.1 Pledgor is a Malaysian citizen with full capacity, with full and independent legal status and legal capacity to execute, deliver and perform this Agreement, and may act independently as a litigant party. The Pledgor has full power and authorization to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction referred to herein, and it has the full power and authorization to complete the transaction referred to herein.

7.2 All reports, documents and information concerning Pledgor and all matters as required by this Agreement which are provided by Pledgor to Pledgee before this Agreement comes into effect are true, correct and effective in all material aspects as of the execution hereof.

7.3 At the time of the effectiveness of this Agreement, Pledgor are the sole legal owner of the Pledged Property, with no existing dispute whatever concerning the ownership of the Pledged Property. Pledgor has the right to dispose of the Pledged Property or any part thereof.

7.4 Except for the encumbrance set on the Pledged Property hereunder and the rights set under the Transaction Agreements, there is no other encumbrance or third party interest set on the Pledged Property.

7.5 The Pledged Property is capable of being pledged or transferred according to the laws, and Pledgor has the full right and power to pledge the Pledged Property to Pledgee according to this Agreement.

7.6 This Agreement constitutes the legal, valid and binding obligations on Pledgor when it is duly executed by Pledgor.

7.7 Any consent, permission, waive or authorization by any third person, or any approval, permission or exemption by any government authority, or any registration or filing formalities (if required by laws) with any government authority to be handled or obtained in respect of the execution and performance hereof and the Equity Pledge hereunder have already been handled or obtained, and will be fully effective during the valid term of this Agreement.

7.8 The execution and performance by Pledgor of this Agreement are not in violation of or conflict with any laws applicable to them, or any agreement to which they are a party or which has binding effect on their assets, any court judgment, any arbitration award, or any administration authority decision.

7.9 The pledge hereunder constitutes the encumbrance of first order in priority on the Pledged Property.

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7.10 All taxes and fees payable in connection with acquisition of the Pledged Property have already been paid in full amount by Pledgor.

7.11 There is no pending or, to the knowledge of Pledgor, threatened litigation, legal process or demand by any court or any arbitral tribunal against Pledgor, or their property, or the Pledged Property, nor is there any pending or, to the knowledge of Pledgor, threatened litigation, legal process or demand by any government authority or any administration authority against Pledgor, or their property, or the Pledged Property, which is of material or detrimental effect on the economic status of Pledgor or their capability to perform the obligations hereunder and the Guaranteed Liabilities.

7.12 Pledgor hereby warrants to Pledgee that the above representations and warranties will remain true, correct and effective at any time and under any circumstance before the Contractual Obligations are fully performed or the Guaranteed Liabilities are fully repaid, and will be fully complied with.

#### **ARTICLE 8 - REPRESENTATIONS AND WARRANTIES BY DSBT**

DSBT hereby represents and warrants to Pledgee as follows:

8.1 DSBT is a limited liability corporation duly incorporated and validly existing under laws of Malaysia, with full capacity of disposition and has obtained due authorization to execute, deliver and perform this Agreement and can independently be a subject of actions.

8.2 All reports, documents and information concerning Pledged Property and all matters as required by this Agreement which are provided by DSBT to Pledgee before this Agreement comes into effect are true, correct and effective in all material aspects as of the execution hereof.

8.3 All reports, documents and information concerning Pledged Property and all matters as required by this Agreement which are provided by DSBT to Pledgee after this Agreement comes into effect are true, correct and effective in all material aspects upon provision.

8.4 This Agreement constitutes the legal, valid and binding obligations on DSBT when it is duly executed by DSBT.

8.5 It has full right and authorization to execute and deliver this Agreement and other documents relating to the transaction as stipulated in this Agreement and to be executed by them. It also has full right and authorization to complete the transaction stipulated in this Agreement.

8.6 There is no pending or, to the knowledge of DSBT, threatened litigation, legal process or demand by any court or any arbitral tribunal against DSBT, or their property (including but are not limited to the Pledged Property), nor is there any pending or, to the knowledge of DSBT, threatened litigation, legal process or demand by any government authority or any administration authority against DSBT, or their property (including but are not limited to the Pledged Property), which is of material or detrimental effect on the economic status of DSBT or their capability to perform the obligations hereunder and the Guaranteed Liabilities.

8.7 DSBT hereby warrants to Pledgee that the above representations and warranties will remain true, correct and effective at any time and under any circumstance before the Contractual Obligations are fully performed or the Guaranteed Liabilities are fully repaid, and will be fully complied with.

#### **ARTICLE 9 - UNDERTAKINGS BY PLEDGOR**

Pledgor hereby undertakes to Pledgee as follows:

9.1 Without the prior written consent by Pledgee, Pledgor shall not establish or permit to establish any new pledge or any other encumbrance on the Pledged Property.

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9.2 Without first giving written notice to Pledgee and having Pledgee's prior written consent, Pledgor shall not transfer the Pledged Property, and any attempt by Pledgor to transfer the Pledged Property shall be null and void. The proceeds from transfer of the Pledged Property by Pledgor shall be used to repay to Pledgee in advance the Guaranteed Liabilities or submit the same to the third party agreed with Pledgee.

9.3 In case of any litigation, arbitration or other demand which may affect detrimentally the interest of Pledgor or Pledgee under the Transaction Agreements and hereunder or the Pledged Property, Pledgor undertake to notify Pledgee thereof in writing as soon as possible and promptly and shall take, at the reasonable request of Pledgee, all necessary measures to ensure the pledge interest of Pledgee in the Pledged Property.

9.4 Pledgor shall not carry on or permit any act or action which may affect detrimentally the interest of Pledgee under the Transaction Agreements and hereunder or the Pledged Property.

9.5 Pledgor guarantees that they shall, at the reasonable request of Pledgee, take all necessary measures and execute all necessary documents (including but not limited to supplementary agreement hereof) in respect of ensuring the pledge interest of Pledgee in the Pledged Property and the exercise and realization of the rights thereof.

9.6 In case of assignment of any Pledged Property as the result of the exercise of the right to the pledge hereunder, Pledgor guarantee that they will take all necessary measures to realize such assignment.

#### **ARTICLE 10 - UNDERTAKINGS BY DSBT**

10.1 Any consent, permission, waive or authorization by any third person, or any approval, permission or exemption by any government authority, or any registration or filing formalities (if required by laws) with any government authority to be handled or obtained in respect of the execution and performance hereof and the Equity Pledge hereunder will be cooperated to handle or obtain by DSBT to their best and will be ensured to remain full effective during the valid term of this Agreement.

10.2 Without the prior written consent by Pledgee, DSBT shall not cooperate to establish or permit to establish any new pledge or any other encumbrance on the Pledged Property.

10.3 Without having Pledgee's prior written consent, DSBT shall not cooperate to transfer or permit to transfer the Pledged Property.

10.4 In case of any litigation, arbitration or other demand which may affect detrimentally the interest of DSBT or Pledgee under the Transaction Agreements and hereunder or the equity of DSBT as the Pledged Property, DSBT undertake to notify Pledgee thereof in writing as soon as possible and promptly and shall take, at the reasonable request of Pledgee, all necessary measures to ensure the pledge interest of Pledgee in the Pledged Property.

10.5 DSBT shall not carry on or permit any act or action which may affect detrimentally the interest of Pledgee under the Transaction Agreements and hereunder or the Pledged Property.

10.6 DSBT shall provide Pledgee with the financial statement of the last calendar season within the first month of each calendar season, including but are not limited to the balance sheet, the income statement and the statement of cash flow.

10.7 DSBT guarantee that they shall, at the reasonable request of Pledgee, take all necessary measures and execute all necessary documents (including but not limited to supplementary agreement hereof) in respect of ensuring the pledge interest of Pledgee in the Pledged Property and the exercise and realization of the rights thereof.

10.8 In case of assignment of any Pledged Property as the result of the exercise of the right to the pledge hereunder, DSBT guarantee that they will take all necessary measures to realize such assignment.

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## **ARTICLE 11 - ENCUMBRANCE OF FIRST ORDER IN PRIORITY**

11.1 DSHK has the encumbrance of first order in priority on any and all Pledged Property. Pursuant to the stipulations of the Transaction Agreement, any Breaching Event under any Transaction Agreement shall result in the occurrence of Breaching Event under other Transaction Agreement, DSHK shall claim the pledge interest hereunder to Pledgor relevant to the Breaching Event, and be repaid in priority in the proportion of their respective security amount from the proceeds obtained according to the disposal of Pledged Property stipulated in Article 4 hereof.

## **ARTICLE 12 - CHANGE OF CIRCUMSTANCES**

12 As supplement and subject to compliance with other terms of the Transaction Agreements and this Agreement, in case that at any time the promulgation or change of any laws of Malaysia, regulations or rules, or change in interpretation or application of such laws, regulations and rules, or the change of the relevant registration procedures enables Pledgee to believe that it will be illegal or in conflict with such laws, regulations or rules to further maintain the effectiveness of this Agreement and/or dispose of the Pledged Property in the way provided herein, Pledgor and DSBT shall, at the written direction of Pledgee and in accordance with the reasonable request of Pledgee, promptly take actions and/or execute any agreement or other document, in order to:

- (1) keep this Agreement remain in effect;
- (2) facilitate the disposal of the Pledged Property in the way provided herein; and/or
- (3) maintain or realize the intention or the guarantee established hereunder.

## **ARTICLE 13 - EFFECTIVENESS AND TERM OF THIS AGREEMENT**

13.1 This Agreement shall become effective upon this Agreement is duly executed by Pledgor, DSBT and Pledgee

13.2 This Agreement shall have its valid term until the full performance of the Contractual Obligations or the full repayment of the Guaranteed Liabilities.

## **ARTICLE 14 - NOTICE**

14.1 Any notice, request, demand and other correspondences made as required by or in accordance with this Agreement shall be made in writing and delivered to the relevant Party.

14.2 The abovementioned notice or other correspondences shall be deemed to have been delivered when it is transmitted if transmitted by facsimile or telex; it shall be deemed to have been delivered when it is delivered if delivered in person; it shall be deemed to have been delivered five (5) days after posting the same if posted by mail.

## **ARTICLE 15 – MISCELLANEOUS**

15.1 Pledgee may, upon notice to Pledgor but not necessarily with Pledgor' consent, assign Pledgee's rights and/or obligations hereunder to any third party; provided that Pledgor may not, without Pledgee's prior written consent, assign Pledgor' rights, obligations and/or liabilities hereunder to any third party. Successors or permitted assignees (if any) of Pledgor shall continue to perform the obligations of Pledgor under this Agreement.

15.2 This Agreement shall be prepared in English language.

15.3 The formation, validity, execution, amendment, interpretation and termination of this Agreement shall be subject to laws of Malaysia.

15.4 Any disputes arising from and in connection with this Agreement shall be settled through consultations among the Parties involved, and if the Parties involved fail to reach an agreement regarding such a dispute within thirty (30) days of its occurrence, such dispute shall be submitted to Kuala Lumpur Regional Centre for Arbitration for arbitration in Kuala Lumpur accordance with the arbitration rules of such commission, and the arbitration award shall be final and binding on all the Parties involved.

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15.5 Any rights, powers and remedies empowered to any Party by any provisions herein shall not preclude any other rights, powers and remedies enjoyed by such Party in accordance with laws and other provisions under this Agreement, and the exercise of its rights, powers and remedies by a Party shall not preclude its exercise of its other rights, powers and remedies by such Party.

15.6 Any failure or delay by a Party in exercising any of its rights, powers and remedies hereunder or in accordance with laws (hereinafter, the "PARTY'S RIGHTS") shall not lead to a waiver of such rights, and the waiver of any single or partial exercise of the Party's Rights shall not preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

15.7 The titles of the Articles contained herein shall be for reference only, and in no circumstances shall such titles be used in or affect the interpretation of the provisions hereof.

15.8 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more articles herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

15.9 This Agreement shall substitute any other documents on the same subject executed by relevant Parties hereof once duly executed.

15.10 Any amendments or supplements to this Agreement shall be made in writing. Except for assignment by Pledgee of its rights hereunder according to Article 15.1 of this Agreement, the amendments or supplements to this Agreement shall take effect only when properly signed by the Parties to this Agreement.

15.11 This Agreement shall be binding on the legal successors of the Parties.

15.12 At the time of execution hereof, Pledgor shall sign respectively a power of attorney (as set out in Appendix I hereto, hereinafter, the "POWER OF ATTORNEY") to authorize any person designated by DSHK to sign on her behalf according to this Agreement any and all legal documents necessary for the exercise by Pledgee of DSHK's rights hereunder. Such Power of Attorney shall be delivered to DSHK to keep in custody and, when necessary, DSHK may at any time submit the Power of Attorney to the relevant government authority.

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IN WITNESS HEREOF, the Parties have caused this Call Option Agreement to be executed in Malaysia as of the date first herein above mentioned.

JERVEY CHOON

Signature by: /s/ Jervey Choon

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Signature by: /s/ Leong Ming Chia

Name: Leong Ming Chia  
Position: Authorized Representative

For and on behalf of  
DSWISS BIOTECH SDN BHD (Company chop)

Signed by: /s/ Jervey Choon

Name: Jervey Choon  
Position: Authorized Representative

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**APPENDIX I:**

FORMAT OF THE POWER OF ATTORNEY

I, \_\_\_\_\_, hereby entrusts \_\_\_\_\_, [with his/her identity card number \_\_\_\_\_,] to be my authorized trustee to sign on my behalf all legal documents necessary or desirous for DSWISS (HK) LIMITED to exercise their rights under the Equity Pledge Agreement between them, myself and DSWISS BIOTECH SDN BHD.

Signature:

Date:

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CALL OPTION AGREEMENT

AMONG

JERVEY CHOON

DSWISS (HK) LIMITED

AND

DSWISS BIOTECH SDN BHD

JUNE 27, 2016

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## CALL OPTION AGREEMENT

This CALL OPTION AGREEMENT (this “AGREEMENT”) is entered into in Malaysia as of JUNE 27, 2016 by and among the following Parties:

(1) JERVEY CHOON

ADDRESS: [Redacted]

IDENTITY CARD NUMBER: [Redacted]

(2) DSWISS (HK) LIMITED. (“DSHK”)

REGISTERED ADDRESS: Rm 405, 4/F Energy Plaza, Tsim Sha Tsui East, Kowloon, Hong Kong

(3) DSWISS BIOTECH SDN BHD. (“DSBT”)

REGISTERED ADDRESS: A-08-06, Tropicana Avenue, Tropicana Golf & Country Resort, 47410 Petaling Jaya, Selangor. Malaysia

(The above parties shall hereinafter be individually referred to as a “PARTY” and collectively, “PARTIES”. JERVEY CHOON shall hereinafter be individually referred to as a “SHAREHOLDER”.)

WHEREAS

(1) JERVEY CHOON and DSHK are the enrolled Shareholder of the DSBT, legally holding all of the equity of the DSBT as of the execution date of this Agreement.

(2) As of the date of this Agreement, JERVEY CHOON and DSHK are the enrolled Shareholder of DSBT, legally holding all the equity in DSBT, of which JERVEY CHOON holding 60% interest, DSHK holding 40%.

(3) The Shareholder intends to transfer to DSHK, and DSHK is willing to accept, all her respective equity interest in the DSBT, to the extent not violating laws of Malaysia.

(4) In order to conduct the above equity transfer, the Shareholder agrees to grant DSHK an irrevocable call option for equity transfer (hereinafter the “CALL OPTION”), under which and to the extent permitted by laws of Malaysia, the Shareholder shall on demand of DSHK transfer the Option Equity (as defined below) to DSHK in accordance with the provisions contained herein.

(5) DSBT intends to transfer to DSHK all of its assets and liabilities to the extent not violating laws of Malaysia. In order to conduct the above asset transfer, DSBT agrees to grant DSHK an irrevocable call option for assets (hereinafter the “ASSET CALL OPTION”), under which and to the extent as permitted by laws of Malaysia, DSBT shall on demand of DSHK transfers the assets and liabilities to DSHK in accordance with the provisions contained herein.

THEREFORE, the Parties hereby have reached the following agreement upon mutual consultations:

### **ARTICLE 1 - DEFINITION**

“MYR” shall mean the Malaysian Ringgit, the lawful currency of Malaysia.

“LAWS OF MALAYSIA” shall mean the then valid laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of Malaysia.

“OPTION EQUITY” shall mean, in respect of each of the Shareholder, all of the equity interest held thereby in DSBT registered capital.

“DSBT REGISTERED CAPITAL” shall mean the registered capital of DSBT as of the execution date of this Agreement, i.e., MYR 250,000, which shall include any expanded registered capital as the result of any capital increase within the term of this Agreement.

“TRANSFERRED EQUITY” shall mean the equity of DSBT which DSHK has the right to require the Shareholder to transfer to it or its designated entity or individual when DSHK exercises its Call Option (hereinafter the “EXERCISE OF OPTION”) in accordance with Article 3.2 herein, the amount of which may be all or part of the Option Equity and the details of which shall be determined by DSHK at its sole discretion in accordance with the then valid Laws of Malaysia and from its commercial consideration.

“TRANSFER PRICE” shall mean all the consideration that DSHK or its designated entity or individual is required to pay to the Shareholder in order to obtain the Transferred Equity upon each Exercise of Option. In spite of any provision herein, in case of DSHK exercising the call option in its sole discretion upon the occurrence of the situation in which such call option exercise become feasible under the relevant laws in Malaysia, any additional consideration paid other than the MYR 1.00 which may be required under the laws of Malaysia to effect such purchase to comply with such legal formalities shall be either cancelled or returned to the company immediately with no additional compensation to the owners. The Shareholder hereby acknowledges the purpose of such provisions and hereby agrees and authorizes the company to take any and all actions to effect such transaction and agrees irrevocably to execute any and all documents and instruments and authorize DSHK and its designated entity or individual to sign on his or her behalf and hereby gives the DSHK and its designated entity or individual a proxy to execute and deliver such documents and instruments to effect the purpose of this provision and hereby waives any defense or claim of causes of action to challenge or defeat this provision. If there exists any regulatory provision with respect to Transfer Price under the then Laws of Malaysia, DSHK or its designated entity or individual shall be entitled to determine the lowest price permitted by Laws of Malaysia as the Transfer Price.

“BUSINESS PERMITS” shall mean any approvals, permits, filings, registrations etc. which DSBT is required to have for legally and validly operating its advertisement designing, producing, agency, publishing and all such other businesses, including but not limited to the Business License of the Cooperate Legal Person, the Tax Registration Certificate, the Permit for Operating Biotechnology Businesses and such other relevant licenses and permits as required by the then Laws of Malaysia.

“DSBT ASSETS” shall mean all the tangible and intangible assets which such DSBT owns or has the right to use during the term of this Agreement, including but not limited to any immoveable and moveable assets, and such intellectual property rights as trademarks, copyrights, patents, proprietary know-how, domain names and software use rights.

“THE MANAGEMENT SERVICES AGREEMENT” shall mean the Management Services Agreement entered into among each party dated JUNE 27, 2016.

“MATERIAL AGREEMENT” shall mean an agreement to which any DSBT is a party and which has a material impact on the businesses or assets of the DSBT, including but not limited to the Management Services Agreement among the DSBT and DSHK, and other agreements regarding the DSBT’s business.

1.2 The references to any Laws of Malaysia herein shall be deemed

(1) to include the references to the amendments, changes, supplements and reenactments of such law, irrespective of whether they take effect before or after the formation of this Agreement; and

(2) to include the references to other decisions, notices or regulations enacted in accordance therewith or effective as a result thereof.

1.3 Except as otherwise stated in the context herein, all references to an Article, clause, item or paragraph shall refer to the relevant part of this Agreement.

## ARTICLE 2 - GRANT OF CALL OPTION

The Parties agree that the Shareholder exclusively grant DSHK hereby irrevocably and without any additional conditions with a Call Option, under which DSHK shall have the right to require the Shareholder to transfer the Option Equity to DSHK or its designated entity or individual in such method as set out herein and as permitted by Laws of Malaysia. DSHK also agrees to accept such Call Option.

In case of DSHK exercising the call option in its sole discretion upon the occurrence of the situation in which such call option exercise become feasible under the relevant laws in Malaysia, any additional consideration paid other than the MYR 1.00 which may be required under the laws of Malaysia to effect such purchase to comply with such legal formalities shall be either cancelled or returned to the company immediately with no additional compensation to the DSBT and Shareholder. DSBT and Shareholder hereby acknowledge the purpose of such provisions and hereby agrees and authorizes the company to take any and all actions to effect such transaction and agrees irrevocably to execute any and all documents and instruments and authorize the company's relevant officers to sign on his or her behalf and hereby gives the company and any of its relevant officers a proxy to execute and deliver such documents and instruments to effect the purpose of this provision and hereby waives any defense or claim of causes of action to challenge or defeat this provision.

## ARTICLE 3 - METHOD OF EXERCISE OF OPTION

3.1 To the extent permitted by Laws of Malaysia, DSHK shall have the sole discretion to determine the specific time, method and times of its Exercise of Option.

3.2 At each Exercise of Option by DSHK, the Shareholder shall transfer her respective equity in the DSBT to DSHK and/or other entity or individual designated by it respectively in accordance with the amount required in the Exercise Notice stipulated in Article 3.4. DSHK and other entity or individual designated by it shall pay the Transfer Price to the Shareholder who has transferred the Transferred Equity for the Transferred Equity accepted in each Exercise of Option. DSHK shall have the right to elect to pay the purchase price by settlement of certain credits held by it or its affiliates to the Shareholder.

3.3 In each Exercise of Option, DSHK may accept the Transferred Equity by itself or designate any third party to accept all or part of the Transferred Equity.

3.4 On deciding each Exercise of Option, DSHK shall issue to the Shareholder a notice for exercising the Call Option (hereinafter the "EXERCISE NOTICE", the form of which is set out as Appendix I hereto). The Shareholder shall, upon receipt of the Exercise Notice, forthwith transfer all the Transferred Equity in accordance with the Exercise Notice to DSHK and/or other entity or individual designated by DSHK in such method as described in Article 3.2 herein.

3.5 The Shareholder hereby undertakes and guarantees that once DSHK issues the Exercise Notice in respect to the specific Transferred Equity of the DSBT held by it:

(1) it shall immediately hold or request to hold a Shareholder' meeting of the DSBT and adopt a resolution through the Shareholder' meeting, and take all other necessary actions to agree to the transfer of all the Call Option to DSHK and/or other entity or individual designated by it at the Transfer Price and waive the possible preemption;

(2) it shall immediately enter into an equity transfer agreement with DSHK and/or other entity or individual designated by it for transfer of all the Transferred Equity to DSHK and/or other entity or individual designated by it at the Transfer Price; and

(3) it shall provide DSHK with necessary support (including providing and executing all the relevant legal documents, processing all the procedures for government approvals and registrations and bearing all the relevant obligations) in accordance with the requirements of DSHK and of the laws and regulations, in order that DSHK and/or other entity or individual designated by it may take all the Transferred Equity free from any legal defect.

3.6 At the meantime of this Agreement, the Shareholder shall respectively enter into a power of attorney (hereinafter the “POWER OF ATTORNEY”, the form of which is set out as Appendix II hereto), authorizing in writing any person designated by DSHK to, on behalf of such Shareholder, to enter into any and all of the legal documents in accordance with this Agreement so as to ensure that DSHK and/or other entity or individual designated by it take all the Transferred Equity free from any legal defect. Such Power of Attorney shall be delivered for custody by DSHK and DSHK may, at any time if necessary, require the Shareholder to enter into multiple copies of the Power of Attorney respectively and deliver the same to the relevant government department.

#### **ARTICLE 4 - ASSET CALL OPTION**

DSBT and the Shareholder hereby further undertake to grant DSHK irrevocably an option to purchase assets within the term of this Agreement: to the extent not violating the mandatory requirements under Laws of Malaysia, DSBT will transfer all of its assets and liabilities to DSHK and/or other entity or individual designated by it when required by DSHK.

In case of the DSHK exercising the Asset Call Option in its sole discretion upon the occurrence of the situation in which such call option exercise become feasible under the relevant laws in Malaysia, any additional consideration paid other than the MYR 1.00 which may be required under the laws of Malaysia to effect such purchase to comply with such legal formalities shall be either cancelled or returned to the company immediately with no additional compensation to the DSBT and Shareholder. DSBT and Shareholder hereby acknowledge the purpose of such provisions and hereby agree and authorize the company to take any and all actions to effect such transaction and agrees irrevocably to execute any and all documents and instruments and authorize the company’s relevant officers to sign on his or her behalf and hereby gives the company and any of its relevant officers a proxy to execute and deliver such documents and instruments to effect the purpose of this provision and hereby waives any defense or claim of causes of action to challenge or defeat this provision.

#### **ARTICLE 5 - REPRESENTATIONS AND WARRANTIES**

5.1 Shareholder hereby represents and warrants in respect to itself and the DSBT in which she holds equity as follows:

5.1.1 The Shareholder is a Malaysian citizen with full capacity, with full and independent legal status and legal capacity to execute, deliver and perform this Agreement, and may act independently as a litigant party.

The Shareholder has full power and authorization to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction referred to herein, and it has the full power and authorization to complete the transaction referred to herein.

5.1.2 This Agreement is executed and delivered by Shareholder legally and properly. This Agreement constitutes the legal and binding obligations on Shareholder and is enforceable on it in accordance with its terms and conditions. The Shareholder are the enrolled legal owner of the Option Equity as of the effective date of this Agreement, and except the rights created by this Agreement, the Shareholder’ Voting Rights Proxy Agreement entered into by Shareholder, DSHK and DSBT dated JUNE 27, 2016 (the “PROXY AGREEMENT”), the Equity Pledge Agreement entered into by Shareholder, DSHK, the DSBT dated JUNE 27, 2016 (the “EQUITY PLEDGE AGREEMENT”), there is no lien, pledge, claim and other encumbrances and third party rights on the Option Equity. In accordance with this Agreement, DSHK and/or other entity or individual designated by it may, after the Exercise of Option, obtain the proper title to the Transferred Equity free from any lien, pledge, claim and other encumbrances and third party rights.

5.1.3 DSBT shall obtain complete Business Permits as necessary for its operations upon this Agreement taking effect, and DSBT shall have sufficient rights and qualifications to operate within Malaysia the businesses of producing and selling of biotechnology products and other business relating to its current business structure. DSBT has conducted its business legally since its establishment and has not incurred any cases which violate or may violate the regulations and requirements set forth by the departments of commerce and industry, tax, culture, news, quality technology supervision, labor and social security and other governmental departments or any disputes in respect of breach of contract.

5.2 DSBT hereby represents and warrants as follows:

5.2.1 DSBT is a limited liability company operation duly registered and validly existing under Laws of Malaysia, with independent status as a legal person; DSBT has full and independent legal status and legal capacity to execute, deliver and perform this Agreement, and may act independently as a subject of actions.

5.2.2 DSBT has full power and authorization to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction referred to herein, and it has the full power and authorization to complete the transaction referred to herein.

5.2.3 This Agreement is executed and delivered by DSBT legally and properly. This Agreement constitutes legal and binding obligations on it.

5.2.4 The Shareholder is the enrolled legal shareholder of the Option Equity when this Agreement comes into effect, except the rights created by this Agreement, the Proxy Agreement, the Equity Pledge Agreement, there is no lien, pledge, claim and other encumbrances and third party rights on the Option Equity. In accordance with this Agreement, DSHK and/or other entity or individual designated by it may, upon the Exercise of Option, obtain the proper title to the Transferred Equity free from any lien, pledge, claim and other encumbrances and third party rights.

5.2.5 DSBT shall obtain complete Business Permits as necessary for its Operations upon this Agreement taking effect, and DSBT shall have sufficient rights and qualifications to operate within Malaysia the businesses of biotechnology and other business relating to its current business structure. DSBT has conducted its business legally since its establishment and has not incurred any cases which violate or may violate the regulations and requirements set forth by the departments of commerce and industry, tax, culture, news, quality technology supervision, labor and social security and other governmental departments or any disputes in respect of breach of contract.

5.3 DSHK hereby represents and warrants as follows:

5.3.1 DSHK is a company with limited liability properly registered and legally existing under Laws of Hong Kong, with an independent status as a legal person. DSHK has full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may act independently as a subject of actions.

5.3.2 DSHK has full power and authorization to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction referred to herein, and it has the full power and authorization to complete the transaction referred to herein.

#### **ARTICLE 6 - UNDERTAKINGS BY THE SHAREHOLDER**

6.1 The Shareholder hereby undertakes within the term of this Agreement that it must take all necessary measures to ensure that DSBT is able to obtain all the Business Permits necessary for its business in a timely manner and all the Business Permits remain in effect at any time.

6.2 The Shareholder hereby undertakes within the term of this Agreement that without the prior written consent by DSHK,

6.2.1 no Shareholder shall transfer or otherwise dispose of any Option Equity or create any encumbrance or other third party rights on any Option Equity;

6.2.2 it shall not increase or decrease the DSBT Registered Capital or cast affirmative vote regarding the aforesaid increase or decrease in registered capital;

6.2.3 it shall not dispose of or cause the management of DSBT to dispose of any of the DSBT Assets (except as occurs during the arm's length operations);

6.2.4 it shall not terminate or cause the management of DSBT to terminate any Material Agreements entered into by DSBT, or enter into any other Material Agreements in conflict with the existing Material Agreements;

6.2.5 it shall not cause DSBT to conduct any transactions that may substantively affect the asset, liability, business operation, equity structure, equity of a third party and other legal rights (except those occurring during the arm's length operations or daily operation, or having been disclosed to and approved by DSHK in writing);

6.2.6 it shall not appoint or cancel or replace any executive directors or members of board of directors (if any), supervisors or any other management personnel of DSBT to be appointed or dismissed by the Shareholder;

6.2.7 it shall not announce the distribution of or in practice release any distributable profit, dividend or share profit or cast affirmative votes regarding the aforesaid distribution or release;

6.2.8 it shall ensure that DSBT shall validly exist and prevent it from being terminated, liquidated or dissolved;

6.2.9 it shall not amend the Articles of Association of DSBT or cast affirmative votes regarding such amendment;

6.2.10 it shall ensure that DSBT shall not lend or borrow any money, or provide guarantee or engage in security activities in any other forms, or bear any substantial obligations other than on the arm's length basis; and

6.3 The Shareholder hereby undertakes that it must make all its efforts during the term of this Agreement to develop the business of DSBT, and ensure that the operations of DSBT are legal and in compliance with the regulations and that it shall not engage in any actions or omissions which might harm the DSBT Assets or its credit standing or affect the validity of the Business Permits of DSBT.

6.4 Without limiting the generality of Article 6.3 above, considering the fact that the Shareholder of DSBT sets aside all the equity interest held thereby in DSBT as security to secure the performance by DSBT of the obligations under the Management Services Agreement, the performance of such Shareholder of the obligations under the Proxy Agreement, the Shareholder undertakes to, within the term of this Agreement, make full and due performance of any and all of the obligations on the part thereof under the Proxy Agreement, and to procure the full and due performance of DSBT of any and all of its obligations under the Management Services Agreement and warrants that no adverse impact on exercising the rights under this Agreement by DSHK will be incurred due to the breach by the Shareholder of the Proxy Agreement or the breach of the DSBT of the Management Services Agreement.

6.5 DSBT undertakes that, before its Exercise of Option and acquire all equity of DSBT, DSBT shall not do the following:

6.5.1 Sell, transfer, mortgage or dispose by other way any assets, business, revenue or other legal rights of DSBT, or permit creating any encumbrance or other third party's interest on such assets, business, revenue or other legal rights (except as occurs during the arm's length or operations or daily operation, or as is disclosed to DSHK and approved by DSHK in writing);

6.5.2 conduct any transactions that may substantively affect the asset, liability, business operation, equity structure, equity of a third party and other legal rights (except those occurring during the arm's length operations or daily operation, or having been disclosed to DSHK and approved by DSHK in writing);

6.5.3 release any dividend or share profit to the Shareholder or cause the DSBT to do so in any form.

## **ARTICLE 7 - CONFIDENTIALITY**

7.1 Notwithstanding the termination of this Agreement, the Shareholder shall be obligated to keep in confidence the following information (hereinafter collectively the "CONFIDENTIAL INFORMATION"): (i) information on the execution, performance and the contents of this Agreement; (ii) the commercial secret, proprietary information and customer information in relation to DSHK known to or received by it as the result of execution and performance of this Agreement; and (iii) the commercial secrets, proprietary information and customer information in relation to DSBT known to or received by it as the shareholder of DSBT.

The Shareholder may use such Confidential Information only for the purpose of performing its obligations under this Agreement. The Shareholder shall not disclose the above Confidential Information to any third parties without the written consent from DSHK, or they shall bear the default liability and indemnify the losses.

7.2 Upon termination of this Agreement, the Shareholder shall, upon demand by DSHK, return, destroy or otherwise dispose of all the documents, materials or software containing the Confidential Information and suspend using such Confidential Information.

7.3 Notwithstanding any other provisions herein, the validity of this Article shall not be affected by the suspension or termination of this Agreement.

## **ARTICLE 8 - TERM OF AGREEMENT**

This Agreement shall take effect as of the date of formal execution by the Parties. This Agreement shall terminate when all the Option Equity of DSBT held by the Shareholder is legally transferred under the name of DSHK and/or other entity or individual designated by it in accordance with the provisions of this Agreement.

## **ARTICLE 9 - NOTICE**

9.1 Any notice, request, demand and other correspondences made as required by or in accordance with this Agreement shall be made in writing and delivered to the relevant Party.

9.2 The abovementioned notice or other correspondences shall be deemed to have been delivered when it is transmitted if transmitted by facsimile or telex; it shall be deemed to have been delivered when it is delivered if delivered in person; it shall be deemed to have been delivered five (5) days after posting the same if posted by mail.

## **ARTICLE 10 - LIABILITY FOR BREACH OF CONTRACT**

10.1 The Parties agree and confirm that, if any party (hereinafter the "DEFAULTING PARTY") breaches substantially any of the provisions herein or omits substantially to perform any of the obligations hereunder, or fails substantially to perform any of the obligations under this Agreement, such a breach or omission shall constitute a default under this Agreement (hereinafter a "DEFAULT"), then non-defaulting Party shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of non-defaulting Party's notifying the Defaulting Party in writing and requiring it to rectify the Default, then non-defaulting Party shall have the right at its own discretion to select any of the following remedial measures:

- (1) to terminate this Agreement and require the Defaulting Party to indemnify it for all the damage; or
- (2) mandatory performance of the obligations of the Defaulting Party hereunder and require the Defaulting Party to indemnify it for all the damage.

10.2 Without limiting the generality of Article 10.1, any breach of the Proxy Agreement, the Equity Pledge Agreement shall be deemed as having constituted the breach by such Shareholder of this Agreement; and any breach by DSBT of any provision in the Management Services Agreement, if attributable to the failure of the Shareholder to perform the obligations thereof under Article 6.4 hereof, shall be deemed as having constituted the breach by such Shareholder of this Agreement.



10.3 The Parties agree and confirm that in no circumstances shall the Shareholder request the termination of this Agreement for any reason, except otherwise stipulated by law or this Agreement.

10.4 Notwithstanding any other provisions herein, the validity of this Article shall stand disregarding the suspension or termination of this Agreement.

#### **ARTICLE 11 - MISCELLANEOUS**

11.1 This Agreement shall be prepared in English language.

11.2 The formation, validity, execution, amendment, interpretation and termination of this Agreement shall be subject to Laws of Malaysia.

11.3 Any disputes arising from and in connection with this Agreement shall be settled through consultations among the Parties involved, and if the Parties involved fail to reach an agreement regarding such a dispute within thirty (30) days of its occurrence, such dispute shall be submitted to Kuala Lumpur Regional Centre for Arbitration for arbitration in Kuala Lumpur accordance with the arbitration rules of such commission, and the arbitration award shall be final and binding on all the Parties involved.

11.4 Any rights, powers and remedies empowered to any Party by any provisions herein shall not preclude any other rights, powers and remedies enjoyed by such Party in accordance with laws and other provisions under this Agreement, and the exercise of its rights, powers and remedies by a Party shall not preclude its exercise of its other rights, powers and remedies by such Party.

11.5 Any failure or delay by a Party in exercising any of its rights, powers and remedies hereunder or in accordance with laws (hereinafter the "PARTY'S RIGHTS") shall not lead to a waiver of such rights, and the waiver of any single or partial exercise of the Party's Rights shall not preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

11.6 The titles of the Articles contained herein shall be for reference only, and in no circumstances shall such titles be used in or affect the interpretation of the provisions hereof.

11.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more articles herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

11.8 Upon execution, this Agreement shall substitute any other legal documents previously executed by the Parties on the same subject.

11.9 Any amendments or supplements to this Agreement shall be made in writing and shall take effect only when properly signed by the Parties to this Agreement.

11.10 Without prior written consent by DSHK, the Shareholder shall not transfer to any third party any of its right and/or obligation under this Agreement, DSHK shall have the right to transfer to any third party designated by it any of its right and/or obligation under this Agreement after notice to the Shareholder.

11.11 This Agreement shall be binding on the legal successors of the Parties.

[The remainder of this page is left blank]

IN WITNESS HEREOF, the Parties have caused this Call Option Agreement to be executed in Malaysia as of the date first herein above mentioned.

JERVEY CHOON

Signature by: /s/ Jervey Choon

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Signature by: /s/ Leong Ming Chia

Name: Leong Ming Chia  
Position: Authorized Representative

For and on behalf of  
DSWISS BIOTECH SDN BHD (Company chop)

Signed by: /s/ Jervey Choon

Name: Jervey Choon  
Position: Authorized Representative

**APPENDIX I:**

**FORMAT OF THE OPTION EXERCISE NOTICE**

To: JERVEY CHOON

As our company and you signed an Call Option Agreement as of JUNE 27, 2016 (hereinafter the "OPTION AGREEMENT"), and reached an agreement that you shall transfer the equity you hold in DSWISS BIOTECH SDN BHD (hereinafter the "DSBT") to our company or any third parties designated by our company on demand of our company to the extent as permitted by Laws of Malaysia and regulations, Therefore, our company hereby gives this Notice to you as follows:

Our company hereby requires to exercise the Call Option under the Option Agreement and DSWISS (HK) LIMITED, designated by our company shall accept the equity you hold accounting for \_\_\_\_\_ % of DSWISS BIOTECH SDN BHD Registered Capital (hereinafter the "PROPOSED ACCEPTED EQUITY"). You are required to forthwith transfer all the Proposed Accepted Equity to DSWISS (HK) LIMITED upon receipt of this Notice in accordance with the agreed terms in the Option Agreement.

Best regards,

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Authorized Representative:

Date:

**APPENDIX II:**

**FORM OF THE POWER OF ATTORNEY**

I, \_\_\_\_\_, hereby irrevocably entrust \_\_\_\_\_ [with his/her identity card number of \_\_\_\_\_], as the authorized representative of me, to sign the Equity Transfer Agreement and other relevant legal documents between me and \_\_\_\_\_ regarding the Equity Transfer of DSWISS BIOTECH SDN BHD.

Signature:

Date:



MANAGEMENT SERVICES AGREEMENT

BETWEEN

DSWISS (HK) LIMITED

AND

DS ASIA CO., LTD

JUNE 27, 2016

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## MANAGEMENT SERVICES AGREEMENT

This MANAGEMENT SERVICES AGREEMENT (“*Agreement*”) is entered into as of June 27, 2016 (the “*Effective Date*”), by and between the following (each a “*Party*” and together the “*Parties*”):

(i) DS ASIA CO., LTD (“DSAC”)

Registered Address: 268/24 Soi Tao Pun Junction, Pracharat Rd., Bangsue, Bangkok 10800 Thailand

(ii) DSWISS (HK) LIMITED. (“DSHK”)

Registered Address: Rm 405, 4/F Energy Plaza, Tsim Sha Tsui East, Kowloon, Hong Kong

### RECITALS

This Agreement is entered into with reference to the following facts:

A. DSAC is a limited liability company incorporated under the laws of Thailand. DSAC is 49% owned by DSHK, 41% owned by Ms. Weraya Limpasuthum and 10% owned by Ms. Kanittha Tharanut (collectively, the “*Nominee Shareholders*”). DSAC is engaged in trading business in Thailand (together with any expansion, contraction or other change to the scope of that business as contemplated by this Agreement, the “*Business*”).

B. DSHK is a limited liability company incorporated under the laws of Hong Kong. DSHK is 100% owned by DSwiss Holding Limited., a Seychelles company, and subsequent owned by DSwiss Inc., a Nevada company. DSHK has executive and financial management experience and capability relevant to the Business.

C. DSAC desires to engage DSHK to provide management, financial and other services in connection with the operation of the Business, and DSHK desires to provide those services to DSAC. The Parties now desire to memorialize the terms and conditions pursuant to which those services will be provided by DSHK to DSAC, and pursuant to which DSAC will compensate DSHK therefor.

**NOW, THEREFORE**, in consideration for the mutual covenants and promises contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Parties, and through friendly consultation, under the principle of equality and mutual benefits, in accordance with the relevant laws and regulations of Hong Kong, the Parties agree as follows:

### AGREEMENT

1. **Management Services**. During the Term of this Agreement, DSHK will identify and provide to DSAC executive and financial management personnel in sufficient numbers and with expertise and experience appropriate to provide the services identified in Appendix L, as it may be amended from time to time by written agreement of the Parties (the “*Management Services*”), and will provide those Services to DSAC. DSAC will take all commercially reasonable actions to permit and facilitate the provision of the Management Services by DSHK and accept those Services.

2. **Compensation to DSHK** . As compensation for providing the Management Services, DSHK will be entitled to receive a fee (the “ **Management Services Fee** ”), upon demand, equal to one hundred percent (100%) of the annual Net Profit of DSAC during the Term of this Agreement. At the sole discretion of DSHK, the Net Profit of DSAC shall be calculated through the end of the immediately preceding fiscal year of DSAC, and paid by DSAC to DSHK within sixty (60) days of demand therefor. Until and unless such demand is made, the Management Services Fee is not due and payable to DSHK and it is the intent of the Parties that the Fee represents shall not be accrued by DSAC. Any dispute between the Parties concerning any calculation or payment under this Section 2 will be resolved pursuant to the dispute resolution provisions of Section 15 .

For the purpose of this agreement, Net Profit means the net profit of DSAC for the period immediately preceding the date for calculation of Net Profit set out in the Agreement, calculated as follows: (a) all revenue or income accrued by DSAC, less (b) all costs, accrued expenses and taxes paid or accrued and payable.

3. **Ad Hoc Payment** . The Parties acknowledge that in order to provide the Management Services under this Agreement, DSHK may incur expenses and costs from time to time, and the Parties further agree that DSHK may request an ad hoc payment every calendar quarter and such payment may be credited against DSAC’s future payment obligations of the Management Services Fee.

4. **Credit for Amounts Paid Under Other Agreements** . DSHK and DSAC are or may be parties to certain other agreements, such as the Technical Service Agreement, some or all of which may require certain payments to be made by DSAC to affiliates and/or designee of DSHK in consideration for services, equipment or other items of value provided by affiliates and/or designee of DSHK. The Parties agree that any and all such amounts may be (a) separately paid by DSAC and accordingly counted as expenses of DSAC, reducing DSAC’s Net Profit; or (b) included in the aggregate Net Profit of DSAC and not separately paid to DSHK.

5. **Interest Penalty** . If any amounts due and payable under this Agreement are not paid when due, interest will accumulate on such amounts at the rate of four percent (4%) per annum until paid. This interest penalty may be reduced or waived by the Party entitled to receive it in light of actual circumstances, including the reason for any delay in payment.

6. **Guarantees** . To the extent and only to the extent permitted by applicable law, each Party agrees to act as a guarantor of the indebtedness of the other, as and only as follows:

- (a) DSAC will not incur any indebtedness to any Person not a party to this Agreement without the advance written consent of DSHK in the exercise of its obligations to provide comprehensive Management Services under this Agreement.
- (b) DSHK may, in the exercise of its reasonable business judgment, incur indebtedness to any Person not a party to this Agreement, provided that any such indebtedness may only be in connection with the Business. If DSHK incurs any indebtedness as contemplated by this Section 6(b), DSAC will act as a guarantor of that indebtedness.



7. **Exclusivity** . During the Term of this Agreement, (a) DSAC will not contract with any other Person to provide services which are the same or similar to the Management Services. For purposes of this Section 7 only, "Person" does not include any Affiliate of either Party, including other entities that may become affiliated with either Party.

8. **Operation of Business** . During the Term of this Agreement:

(a) The DSAC will ensure that:

- (i) the business of DSAC, together with all business opportunities presented to or which become available to DSAC, will be treated as part of the Business covered by the Management Services and this Agreement;
- (ii) all cash of DSAC will be maintained in Company Bank Accounts or disposed of in accordance with this Agreement;
- (iii) all business income, working capital, recovered accounts receivable, and any other funds which come into the possession of DSAC or are derived from or related to the operation of the business of DSAC, are deposited into a Company Bank Account;
- (iv) all accounts payable, employee compensation and other employment-related expenses, and any payments in connection with the acquisition of any assets for the benefit of DSAC or the satisfaction of any liabilities of DSAC, are paid from amounts maintained in Company Bank Accounts;
- (v) DSHK or any third party designated by DSHK will have full access to the financial records of DSAC and from time to time, DSHK may request, at its sole option, to conduct an auditing with regard to the financial status of DSAC;
- (vi) no action is taken without the prior written consent of DSHK that that would have the effect of entrusting all or any part of the business of DSAC to any other Person.

(b) DSHK will ensure that:

- (i) it exercises with respect to the conduct of the Business the same level of care it exercises with respect to the operation of its own business and will at all times act in accordance with its Reasonable Business Judgment, including taking no action which it knows, or in the exercise of its Reasonable Business Judgment should have known, would materially adversely affect the status of any of permits, licenses and approvals necessary for the conduct of the Business or constitute a violation of all Legal Requirements;

- (ii) neither it, nor any of its agents or representatives, takes any action that interferes with, or has the effect of interfering with, the operation of the Business in accordance with this Agreement, or which materially adversely affects its assets, operations, business or prospects;
- (iii) use its Best Efforts to cooperate and assist DSAC to maintain in effect all permits, licenses and other authorizations and approvals necessary or appropriate to the conduct of the Business; and
- (iv) subject to the provisions of Section 10 relating to the Transition period, it will preserve intact the business and operations of DSAC and take no action which it knows, or in the exercise of its Reasonable Business Judgment should have known, would materially adversely affect the business, operations, or prospects of DSAC.

9. **Material Actions** . The Parties acknowledge and agree that the economic risk of the operation of the Business is being substantially assumed by DSAC and that the continued business success of DSAC is necessary to permit the Parties to realize the benefits of this Agreement. During the Term of this Agreement, the Parties therefore will ensure that DSAC does not take any Material Action without the advance written consent of DSHK, which consent will not be unreasonably withheld or delayed.

10. **Transition of Business to DSHK; Future Expansion** . At the sole discretion of DSHK, during the Term of this Agreement, DSHK may transfer or cause to be transferred from DSAC to DSHK or its designee (referred to collectively for purposes of this Section 10 as “DSHK”) any part or all of the business, personnel, assets and operations of DSAC which may be lawfully conducted, employed, owned or operated by DSHK (the “Transition”), including any of the following:

- (a) business opportunities presented to, or available to DSAC may be pursued and contracted for in the name of DSHK rather than DSAC, and at its discretion DSHK may employ the resources of DSAC to secure such opportunities;
- (b) any tangible or intangible property of DSAC, any contractual rights, any personnel, and any other items or things of value held by DSAC may be transferred to DSHK at book value;
- (c) real property, personal or intangible property, personnel, services, equipment, supplies and any other items useful for the conduct of the Business may be obtained by DSHK by acquisition, lease, license or otherwise, and made available to DSAC on terms to be determined by agreement between DSHK and DSAC;
- (d) contracts entered into in the name of DSAC may be transferred to DSHK, or the work under such contracts may be subcontracted, in whole or in part, to DSHK, on terms to be determined by agreement between DSHK and DSAC; and
- (e) any changes to, or any expansion or contraction of, the Business may be carried out in the exercise of the sole discretion of DSHK, and in the name of and at the expense of, DSHK;

*provided, however* , that none of the foregoing, and no other part of the Transition may cause or have the effect of terminating (without being substantially replaced under the name of DSHK) or adversely affecting any license, permit or regulatory status of DSAC. Any of the activity contemplated by this Section10 will be deemed part of the “Business.”

11. **Ownership of Intellectual Property** . All Intellectual Property created by DSHK in the course of providing the Management Services will be the sole property of DSHK and DSAC will have no right to any ownership or use of such Intellectual Property except under separate written agreement with DSHK.

12. **Representations and Warranties of DSAC** . DSAC hereby makes the following representations and warranties for the benefit of DSHK:

- (a) **Corporate Existence and Power** . DSAC is a limited liability company duly organized and validly existing under the laws of Thailand, and has all legal or corporate power and all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted and as currently contemplated to be conducted. DSAC has never approved, or commenced any proceeding or made any election contemplating, the dissolution or liquidation of DSAC or the winding up or cessation of the business or affairs of DSAC.
- (b) **Authorization; No Consent** . DSAC (i) has taken all necessary corporate and other actions to authorize its execution, delivery and performance of this Agreement and all related documents and has the corporate and other power and authorization to execute, deliver and perform this Agreement and the other related documents; (ii) has the absolute and unrestricted right, power, authority, and capacity to execute and deliver this Agreement and the other related documents and to perform its obligations under this Agreement and the other related documents; (iii) is not required to give any notice to or obtain any Consent from any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any of the transactions or actions contemplated by any of the Business Cooperation Agreements, except for any notices that have been duly given or Consents that have been duly obtained; and (iv) holds all the governmental authorizations necessary to permit it to lawfully conduct and operate its business in the manner it currently conducts and operates such business and to permit DSAC to own and use its assets in the manner in which it currently owns and uses such assets. To the best knowledge of DSAC, there is no basis for any governmental authority to withdraw, cancel or cease in any manner any of such governmental authorizations.
- (c) **No Conflicts** . The execution and perform of this Agreement by DSAC will not contravene, conflict with, or result in violation of (i) any provision of the organizational documents of DSAC; (ii) resolution adopted by the board of directors or the equity holders of DSAC; and (iii) any laws and regulations to which DSAC or the transactions and relationships contemplated in this Agreement.

13. **Representations and Warranties of DSHK** . DSHK hereby makes the following representations and warranties for the benefit of DSAC:

- (a) **Corporate Existence and Power** . DSHK (i) is a limited liability company duly organized and validly existing under the laws of Hong Kong, and has all corporate power and all governmental licenses, authorizations, consents and approvals required to carry on its business as now conducted and as currently contemplated to be conducted; and (ii) has not ever approved, or commenced any proceeding or made any election contemplating, the dissolution or liquidation of DSHK or the winding up or cessation of the business or affairs of DSHK.
- (b) **Authorization; No Consent** . DSHK (i) has taken all necessary corporate actions to authorize its execution, delivery and performance of this Agreement and all related documents and has the corporate power and authorization to execute, deliver and perform this Agreement and the other related documents; (ii) has the absolute and unrestricted right, power, authority, and capacity to execute and deliver this Agreement and the other related documents and to perform its obligations under this Agreement and the other related documents; (iii) is not required to give any notice to or obtain any Consent from any Person in connection with the execution and delivery of this Agreement or the consummation or performance of any of the Business Cooperation Agreements, except for any notices that have been duly given or Consents that have been duly obtained; and (iv) has all the governmental authorizations necessary to permit DSHK to lawfully conduct and operate its business in the manner it currently conducts and operates such business and to permit DSHK to own and use its assets in the manner in which it currently owns and uses such assets. To the best knowledge of DSHK, there is no basis for any governmental authority to withdraw, cancel or cease in any manner any of such governmental authorizations.
- (c) **No Conflicts** . The execution and perform of this Agreement by DSHK will not contravene, conflict with, or result in violation of (i) any provision of the organizational documents of DSHK; (ii) any resolution adopted by the board of directors or the equity holders of DSHK; and (iii) any laws and regulations to which DSHK or the transactions and relationships contemplated in this Agreement and the Business Cooperation Agreements are subject.

14. **Liability for Breach; Indemnification and Hold Harmless** . Each of the Parties will be liable to the other Party for any damage or loss caused by such Party's breach of this Agreement. DSAC will indemnify and hold harmless DSHK from and against any claims, losses or damages unless caused by a breach by DSHK of its obligations under this Agreement or by the willful, reckless or illegal conduct of DSHK. DSHK will indemnify and hold harmless DSAC from and against any claims, losses or damages caused by any breach by DSAC of its obligations under this Agreement or by the willful, reckless or illegal conduct of DSAC.

## 15. *Dispute Resolution* .

- (a) ***Friendly Consultations*** . Any and all disputes, controversies or claims arising out of or relating to the interpretation or implementation of this Agreement, or the breach hereof or relationships created hereby, will be settled through friendly consultations.
- (b) ***Arbitration***. If any such dispute is not resolved through friendly consultations within sixty (60) days from the date a Party gives the other Parties written notice of a dispute, then it will be resolved exclusively by arbitration under in accordance with the UNCITRAL Arbitration Rules as at present in force and as may be amended by the rest of this clause. The appointing authority shall be Hong Kong International Arbitration Centre. The place of arbitration shall be in Hong Kong at Hong Kong International Arbitration Centre (HKIAC). Any arbitration will be conducted in either in English or Chinese languages. The arbitration award will be final and binding on both Parties and will not be subject to any appeal, and the Parties agree to be bound thereby and to act accordingly.
- (c) ***Continuation of Agreement*** . It is not necessary for any Party to declare a breach of this Agreement in order to proceed with the dispute resolution process set out in this Section 15. Unless and until this Agreement is terminated pursuant to Section 16, this Agreement will continue in effect during the pendency of any discussions or arbitration under this Section 15.

16. ***Term*** . This Agreement is effective as of the date first set forth above, and will continue in effect for a period of ten (10) years (the “ ***Initial Term*** ”), and for succeeding periods of the same duration (each, “ ***Subsequent Term*** ”), until terminated by one of the following means either during the Initial Term or thereafter. The period during which this Agreement is effective is referred to as the “ ***Term*** .”

- (a) ***Mutual Consent*** . This Agreement may be terminated at any time by the mutual consent of the Parties, evidenced by an agreement in writing signed by both Parties.
- (b) ***Termination by DSHK*** . This Agreement may be terminated by DSHK ((i) upon written notice delivered to DSAC no later than ten (10) calendar days before the expiration of the Initial Term or any Subsequent Term; or (ii) at any time by upon ninety (90) calendar days’ written notice delivered to DSAC.
- (c) ***Breach or Insolvency*** . Either of DSAC or DSHK may terminate this Agreement immediately (a) upon the material breach by the other of its obligations hereunder and the failure of such Party to cure such breach within thirty (30) working days after written notice from the non-breaching Party; or (b) upon the filing of a voluntary or involuntary petition in bankruptcy by the other or of which the other is the subject, or the insolvency of the other, or the commencement of any proceedings placing the other in receivership, or of any assignment by the other for the benefit of creditors.

- (d) **Consequences of Termination** . Upon any effective date of any termination of this Agreement: (i) DSHK will instruct all management personnel identified or provided by it to DSAC to cease working for DSAC; (ii) DSHK will deliver to DSAC all chops and seals of DSAC; (iii) DSHK will deliver to DSAC, or grant to DSAC unrestricted access to and control of, all of the financial and other books and records of DSAC, including any and all permits, licenses, certificates and other proprietary and operational documents and instruments; (iv) DSHK will cooperate fully in the replacement of any signatories or persons authorized to act on behalf of DSAC with persons appointed by DSAC; and (v) any licenses granted by DSHK to DSAC during the Term will terminate unless otherwise agreed by the Parties.
- (e) **Survival** . The provisions of Section 14 (Indemnification; Hold Harmless), Section 15 (Dispute Resolution), Section 16(d) (Consequences of Termination) and Section 17 (Miscellaneous) will survive any termination of this Agreement. Any amounts owing from any Party to any other Party on the effective date of any termination under the terms of this Agreement will continue to be due and owing despite such termination.

**17. Miscellaneous** .

- (a) **Headings and Gender** . The headings of Sections in this Agreement are provided for convenience only and will not affect its construction or interpretation. All references to “Section” or “Sections” refer to the corresponding Section or Sections of this Agreement. All words used in this Agreement will be construed to be of such gender or number as the circumstances require. Unless otherwise expressly provided, the word “including” does not limit the preceding words or terms.
- (b) **Usage** . The words “include” and “including” will be read to include “without limitation.”
- (c) **Severability** . Whenever possible each provision and term of this Agreement will be interpreted in a manner to be effective and valid but if any provision or term of this Agreement is held to be prohibited by or invalid, then such provision or term will be ineffective only to the extent of such prohibition or invalidity, without invalidating or affecting in any manner whatsoever the remainder of such provision or term or the remaining provisions or terms of this Agreement. If any of the covenants set forth in this Agreement are held to be unreasonable, arbitrary, or against public policy, such covenants will be considered divisible with respect to scope, time and geographic area, and in such lesser scope, time and geographic area, will be effective, binding and enforceable against the Parties.
- (d) **Waiver** . No failure or delay by any Party to exercise any right, power or remedy under this Agreement will operate as a waiver of any such right, power or remedy.
- (e) **Integration** . This Agreement supersedes any and all prior discussions and agreements (written or oral) between the Parties with respect to cooperation arrangement and other matters contained herein.

- (f) **Assignments, Successors, and No Third-Party Rights** . No Party may assign any of its rights under this Agreement without the prior consent of the other Parties, which will not be unreasonably withheld. Nothing expressed or referred to in this Agreement will be construed to give any Person other than the Parties to this Agreement any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement. This Agreement and all of its provisions and conditions are for the sole and exclusive benefit of the Parties to this Agreement and their successors and assigns.
- (g) **Notices** . All notices, requests, demands, claims, and other communications under this Agreement will be in writing. Any Party may send any notice, request, demand, claim, or other communication under this Agreement to the intended recipient at the address set forth on the signature page of this Agreement by any means (including personal delivery, expedited courier, messenger service, telecopy, telex, ordinary mail, or electronic mail), but no such notice, request, demand, claim, or other communication will be deemed to have been duly given unless and until it actually is received by the intended recipient. Refusal by a Party to accept notice that is validly given under this Agreement will be deemed to have been received by such Party upon receipt. Any Party may change the address to which notices, requests, demands, claims, and other communications under this Agreement are to be delivered by giving the other Parties notice in the manner herein set forth. Any notice, request, demand, claim, or other communication under this Agreement will be addressed to the intended recipient as set forth on the signature page hereto.
- (h) **Further Assurances** . Each of the Parties will use its best efforts to take all action and to do all things necessary, proper, or advisable in order to consummate and make effective the transactions contemplated by this Agreement.
- (i) **Governing Law** . This Agreement will be construed, and the rights and obligations under this Agreement determined, in accordance with the laws of the Hong Kong, without regard to the principles of conflict of laws thereunder.
- (j) **Amendment** . This Agreement may not be amended, altered or modified except by a subsequent written document signed by all Parties.

[Signature Page Follows]

IN WITNESS HEREOF, the Parties have caused this Management Services Agreement to be executed in Thailand as of the date first herein above mentioned.

Weraya Limpasuthum (Shareholder of DS ASIA CO., LTD)

Signature by:     /s/ Weraya Limpasuthum    

Kanittha Tharanut (Shareholder of DS ASIA CO., LTD)

Signature by:     /s/ Kanittha Tharanut    

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Signature by:     /s/ Leong Ming Chia    

Name: Leong Ming Chia

Position: Authorized Representative

For and on behalf of  
DS ASIA CO., LTD (Company chop)

Signed by:     /s/ Weraya Limpasuthum    

Name: Weraya Limpasuthum

Position: Authorized Representative



## APPENDIX I

### Management Services

For purposes of that certain Management Services Agreement to which this is Appendix A, “*Management Services*” means the following:

#### General Management Services

“Management Services” includes the following general management services relating to the operation of the Business, except for those compulsively limited or prohibited by laws of Hong Kong and regulations otherwise:

- (a) All aspects of the day-to-day operations of DSAC, including its relationships with its customers, its performance under agreements or other arrangements with any other parties, its compliance with applicable laws and regulations;
- (b) The appointment, hiring, compensation (including any bonuses, non-monetary compensation, fringe and other benefits, and equity-based compensation), firing and discipline of all employees, consultants, agents and other representatives of DSAC, including the Executive Director or the Board of Directors of DSAC and all other executive officers or employees of DSAC;
- (c) Establishment, maintenance, termination or elimination of any plan or other arrangement for the benefit of any employees, consultants, agents, representatives or other personnel of DSAC;
- (d) Management, control and authority over all accounts receivable, accounts payable and all funds and investments of DSAC;
- (e) Management, control and authority over DSAC Bank Accounts, in connection with which all seals and signatures will be those of personnel appointed and confirmed by DSHK;
- (f) Any expenditure, including any capital expenditure, of DSAC;
- (g) The entry into, amendment or modification, or termination of any contract, agreement and/or other arrangement to which DSAC is, was, or would become a party;
- (h) The acquisition, lease or license by DSAC of any assets, supplies, real or personal property, or intellectual or other intangible property;
- (i) The acquisition of or entry into any joint venture or other arrangement by DSAC with any other Person;
- (j) Any borrowing or assumption by DSAC of any liability or obligation of any nature, or the subjection of any asset of DSAC to any Lien;
- (k) Any sale, lease, license, retirement or other disposition of any asset owned, beneficially owned or controlled by DSAC;
- (l) Applying for, renewing, and taking any action to maintain in effect, any permits, licenses or other authorizations and approvals necessary for the operation of DSAC’s business;
- (m) The commencement, prosecution or settlement by DSAC of any litigation or other dispute with any other Person, through mediation, arbitration, lawsuit or appeal;
- (n) The declaration or payment of any dividend or other distribution of profits of
- (o) The preparation and filing of all Tax Returns, the payment or settlement of any and all Taxes, and the conduct of any proceedings with any Governmental Authority with respect to any Taxes; and
- (p) The carrying out of the Transition, as defined in Section 10, and any business or corporate restructuring of DSAC or its subsidiaries.



SHAREHOLDERS' VOTING RIGHTS PROXY AGREEMENT

AMONG

MS. WERAYA LIMPASUTHUM

MS. KANITTHA THARANUT

DSWISS (HK) LIMITED

AND

DS ASIA CO., LTD

JUNE 27, 2016

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## SHAREHOLDERS' VOTING RIGHTS PROXY AGREEMENT

This SHAREHOLDERS' VOTING RIGHTS PROXY AGREEMENT (this "AGREEMENT") is entered into in Thailand as of JUNE 27, 2016 by and among the following Parties:

(1) MS. WERAYA LIMPASUTHUM

ADDRESS: [Redacted]

IDENTITY CARD NUMBER: [Redacted]

(2) MS. KANITTHA THARANUT

ADDRESS: [Redacted]

IDENTITY CARD NUMBER: [Redacted]

(3) DSWISS (HK) LIMITED. ("DSHK")

REGISTERED ADDRESS: Rm 405, 4/F Energy Plaza, Tsim Sha Tsui East, Kowloon, Hong Kong

(4) DS ASIA CO., LTD. ("DSAC")

REGISTERED ADDRESS: 268/24 Soi Tao Pun Junction, Pracharat Rd., Bangsue, Bangkok 10800 Thailand

(The above parties shall hereinafter be individually referred to as a "PARTY" and collectively, "PARTIES". Ms. Weraya Limpasuthum and Kanittha Tharanut shall hereinafter be individually referred to as a "SHAREHOLDER" and collectively, "SHAREHOLDERS".)

WHEREAS:

1. As of the date of this Agreement, Ms. Weraya Limpasuthum, Ms. Kanittha Tharanut and DSHK are the enrolled Shareholders of DSAC, legally holding all the equity in DSAC, of which DSHK holding 49% interest, Ms. Weraya Limpasuthum holding 41% and Ms. Kanittha Tharanut holding 10%.

2. The Shareholders intends to severally entrust the individual designated by DSHK with the exercises of their voting rights in DSAC while DSHK is willing to designate such an individual.

The Parties hereby have reached the following agreement upon friendly consultations:

### **ARTICLE 1 VOTING RIGHTS ENTRUSTMENT**

1.1 The Shareholders hereby irrevocably undertake to sign the Entrustment Letter after execution of the Agreement to entrust the personnel designated by DSHK ("TRUSTEES") then to exercise the following rights enjoyed by them as Shareholders of DSAC in accordance with the then effective articles of association of DSAC (collectively, the "ENTRUSTED RIGHTS"):

(1) Proposing to convene and attending Shareholders' meetings of DSAC as proxy of the Shareholders according to the articles of association of DSAC;

(2) Exercising voting rights as proxy of the Shareholders, on issues discussed and resolved by the Shareholders' meeting of DSAC, including but not limited to the appointment and election for the directors, general manager and other senior management personnel of DSAC.

The above authorization and entrustment is granted subject to the status of trustees as Thai citizens and the approval by DSHK. Upon and only upon written notice of dismissing and replacing Trustee(s) given by DSHK to the Shareholders, the Shareholders shall promptly entrust another Thai citizen then designated by DSHK to exercise the above Entrusted Rights, and once new entrustment is made, the original entrustment shall be replaced; the Shareholders shall not cancel the authorization and entrustment of the Trustee(s) otherwise.

1.2 The Trustees shall perform the entrusted obligation within the scope of entrustment in due care and prudence and in compliance with laws; the Shareholders acknowledge and assume relevant liabilities for any legal consequences of the Trustees' exercise of the foregoing Entrusted Rights.

1.3 The Shareholders hereby acknowledge that the Trustees are not required to seek advice from the Shareholders prior to their respective exercise of the foregoing Entrusted Rights. However, the Trustees shall inform the Shareholders in a timely manner of any resolution or proposal on convening interim Shareholders' meeting after such resolution or proposal is made.

## **ARTICLE 2 RIGHT TO INFORMATION**

2.1 For the purpose of exercising the Entrusted Rights under this Agreement, the Trustees are entitled to know the information with regard to DSAC's operation, business, clients, finance, staff, etc., and shall have access to relevant materials of DSAC. DSAC shall adequately cooperate with the Trustees in this regard.

## **ARTICLE 3 EXERCISE OF ENTRUSTED RIGHTS**

3.1 The Shareholders will provide adequate assistance to the exercise of the Entrusted Rights by the Trustees, including execution of the resolutions of the Shareholders' meeting of DSAC or other pertinent legal documents made by the Trustee when necessary (e.g., when it is necessary for examination and approval of or registration or filing with governmental departments).

3.2 If at any time during the term of this Agreement, the entrustment or exercise of the Entrusted Rights under this Agreement is unenforceable for any reason except for default of any Shareholders or DSAC, the Parties shall immediately seek a most similar substitute for the unenforceable provision and, if necessary, enter into supplementary agreement to amend or adjust the provisions herein, in order to ensure the realization of the purpose of this Agreement.

## **ARTICLE 4 EXEMPTION AND COMPENSATION**

4.1 The Parties acknowledge that DSHK shall not be requested to be liable for or compensate (monetary or otherwise) other Parties or any third party due to exercise of Entrusted Rights by the Trustees designated by DSHK under this Agreement.

4.2 DSAC and the Shareholders agree to compensate DSHK for and hold it harmless against all losses incurred or likely to be incurred by it due to exercise of the Entrusted Rights by the Trustees designated by DSHK, including without limitation any loss resulting from any litigation, demand arbitration or claim initiated or raised by any third party against it or from administrative investigation or penalty of governmental authorities.

However, the Shareholders and DSAC will not compensate for losses incurred due to wilful misconduct or gross negligence of DSHK.

## **ARTICLE 5 REPRESENTATIONS AND WARRANTIES**

5.1 Each of the Shareholders hereby severally and jointly represents and warrants that:

5.1.1 Each of the Shareholders is a Thai citizen with full capacity and with full and independent legal status and legal capacity to execute, deliver and perform this Agreement, and may act independently as a subject of actions.

5.1.2 Each of the Shareholders has full right and authorization to execute and deliver this Agreement and other documents that are related to the transaction referred to herein and to be executed by them. They have full right and authorization with respect to consummate the transaction referred to herein.

5.1.3 This Agreement shall be executed and delivered by the Shareholders lawfully and properly. This Agreement constitutes the legal and binding obligations on them and is enforceable on them in accordance with its terms and conditions hereof

5.1.4 The Shareholders are enrolled and legal Shareholders of DSAC as of the effective date of this Agreement, and except the rights created by this Agreement, the Call Option Agreement entered into by DSHK, DSAC and them on JUNE 27, 2016 (the "CALL OPTION AGREEMENT"), as well as the Equity Pledge Agreement entered into by DSHK and DSAC and them on JUNE 27, 2016 (the "EQUITY PLEDGE AGREEMENT"), there exists no third party right on the Entrusted Rights. Pursuant to this Agreement, the Trustees may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of DSAC.

5.1.5 Considering the fact that according to Equity Pledge Agreement, considering the fact that Shareholders will set aside all the equity interest held thereby in relevant DSAC as security to secure the performance by them of their obligations under the Call Option Agreement entered into between them and DSHK as of JUNE 27, 2016, Shareholders undertakes to make full and due performance of the obligations under Call Option Agreement during the valid term of this Agreement, and they will not be in conflict with any stipulation under Call Option Agreement, which are likely to have impact on the exercise of the Entrusted Rights the Trustees under this Agreement.

5.1.6 Considering the facts that the DSAC entered into the Management Services Agreement (the "SERVICE AGREEMENT") on JUNE 27, 2016 with DSHK, the Call Option Agreement with DSHK and the Shareholders on JUNE 27, 2016, and that the Shareholders of DSAC will set aside all equity interest held thereby in DSAC as security to secure the performance of the contractual obligations under the above two agreements by DSAC, the Shareholders undertakes to, during the valid term of this Agreement, procure the full and due performance of DSAC of any and all its obligations under the Service Agreement, the Call Option Agreement, and warrants that no adverse impact on the exercise of the Entrusted Rights hereunder by the Trustees will be incurred due to the breach of the Management Services Agreement, Call Option Agreement by DSAC.

5.2 DSHK (excluding the person designated by it) hereby represents and warrants that:

5.2.1 it is a company with limited liability properly registered and legally existing under the laws of Hong Kong, with an independent corporate legal person status, and with full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may act independently as a subject of actions; and

5.2.2 it has the full corporate power and authority to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction contemplated hereunder, and has the full power and authority to consummate such transaction.

5.3 DSAC hereby represents and warrants that:

5.3.1 it is a company with limited liability properly registered and legally existing under laws of Thailand, with an independent legal person status, and with full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may act independently as a subject of actions; and

5.3.2 it has the full corporate power and authority to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction contemplated hereunder, and has the full power and authority to consummate such transaction.

5.3.3 the Shareholders are enrolled Shareholders as of the effective date of this Agreement, legally holding the equity interest in it. Except rights created by this Agreement, the Equity Pledge Agreement and the Call Option Agreement, there exists no third party right on the Entrusted Rights. Pursuant to this Agreement, the Trustees may fully and sufficiently exercise the Entrusted Rights in accordance with the then effective articles of association of DSAC.

5.3.4 Considering the fact that the Shareholders of DSAC will set aside all the equity interest held thereby in DSAC as security to secure the performance of the contractual obligations by DSAC under the Management Services Agreement, the Call Option Agreement, DSAC undertakes to, during the valid term of this Agreement, make full and due performance of any and all obligations under the Management Services Agreement, the Call Option Agreement, and warrants that no adverse impact on the exercise of the Entrusted Rights hereunder by the Trustees will be incurred due to the breach of the Management Services Agreement, the Call Option Agreement by DSAC.

#### **ARTICLE 6 TERM OF AGREEMENT**

6.1 This Agreement takes effect from the date of due execution of all the Parties hereto, with the valid term of ten (10) years, unless terminated in advance by written agreement of all the Parties or according to Article 8.1 of this Agreement. This Agreement shall automatically renew for another one (1) year when the term (whether original or extended, if applicable) of this Agreement is due, unless DSHK gives a thirty (30) days notice in writing to the other Parties of the cancellation of such renewal.

6.2 In case that the Shareholders transfers all of the equity interest held by it in DSAC with prior consent of DSHK, such Shareholders shall no longer be a Party to this Agreement whilst the obligations and commitments of the other Parties under this Agreement shall not be adversely affected thereby.

#### **ARTICLE 7 NOTICE**

7.1 Any notice, request, demand and other correspondences made as required by or in accordance with this Agreement shall be made in writing and delivered to the relevant Party.

7.2 The abovementioned notice or other correspondences shall be deemed to have been delivered when (i) it is transmitted if transmitted by facsimile or telex, or (ii) it is delivered if delivered in person, or (iii) when five (5) days have elapsed after posting the same if posted by mail.

#### **ARTICLE 8 DEFAULT LIABILITY**

8.1 The Parties agree and confirm that, if any of the Parties (the "DEFAULTING PARTY") breaches substantially any of the provisions herein or fails substantially to perform any of the obligations hereunder, such a breach or failure shall constitute a default under this Agreement (a "DEFAULT"). In such event any of the other Parties without default (a "NON-DEFAULTING PARTY") who incurs losses arising from such a Default shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of a Non-defaulting Party's notifying the Defaulting Party in writing and requiring it to rectify the Default, then the relevant Non-defaulting Party shall be entitled to choose at its discretion to (1) terminate this Agreement and require the Defaulting Party to indemnify all damages, or (2) require specific performance by the Defaulting Party of this Agreement and indemnification against all damages.

8.2 Without limiting the generality of Article 8.1 above, any breach by any Shareholders of the Call Option Agreement or Equity Pledge Agreement shall be deemed as having constituted the breach by such Shareholders of this Agreement; any breach by DSAC of the Management Services Agreement or Call Option Agreement shall be deemed as having constituted the breach by DSAC of this Agreement.

8.3 The Parties agree and confirm, the Shareholders or DSAC shall not request the termination of this Agreement for whatsoever reason and under whatsoever circumstance, except otherwise stipulated by laws or this Agreement.

8.4 Notwithstanding any other provisions herein, the validity of this Article shall not be affected by the suspension or termination of this Agreement.

#### ARTICLE 9 MISCELLANEOUS

9.1 This Agreement shall be prepared in English language.

9.2 The conclusion, validity, execution, amendment, interpretation and termination of this Agreement shall be governed by laws of the Thailand.

9.3 Any disputes arising from and in connection with this Agreement shall be settled through consultations among the Parties involved, and if the Parties involved fail to reach an agreement regarding such a dispute within thirty (30) days of its occurrence, such dispute shall be submitted to Thailand Arbitration Center for arbitration in Bangkok accordance with the arbitration rules of such commission, and the arbitration award shall be final and binding on all the Parties involved.

9.4 Any rights, powers and remedies empowered to any Party by any provisions herein shall not preclude any other rights, powers and remedies enjoyed by such Party in accordance with laws and other provisions under this Agreement, and a Party's exercise of any of its rights, powers and remedies shall not preclude its exercise of other rights, powers and remedies of it.

9.5 Any failure or delay by a Party in exercising any of its rights, powers and remedies hereunder or in accordance with laws (the "PARTY'S RIGHTS") shall not lead to a waiver of such rights, and the waiver of any single or partial exercise of the Party's Rights shall not preclude such Party from exercising such rights in any other way or exercising the remaining part of the Party's Rights.

9.6 The titles of the Articles contained herein are for reference only, and in no circumstances shall such titles be used for or affect the interpretation of the provisions

9.7 Each provision contained herein shall be severable and independent from each of other provisions. If at any time any one or more articles herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected thereby.

9.8 Upon execution, this Agreement shall replace any other previous legal documents entered into by relevant Parties on the same subject matter.

9.9 Any amendments or supplements to this Agreement shall be made in writing and shall take effect only when properly signed by the Parties to this Agreement.

9.10 In respect of the Shareholders and DSAC, they shall not assign any of their rights and/or transfer any of their obligations hereunder to any third parties without prior written consent from DSHK; DSHK shall have the right to assign any of its rights and/or transfer any of its obligations hereunder to any third parties designated by it after giving notice to the Shareholders.

9.11 This Agreement shall be binding on the legal successors of the Parties.

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IN WITNESS HEREOF, the Parties have caused this Shareholders' Voting Rights Proxy Agreement to be executed in Thailand as of the date first herein above mentioned.

Weraya Limpasuthum (Shareholder of DS ASIA CO., LTD)

Signature by:     /s/ Weraya Limpasuthum    

Kanittha Tharanut (Shareholder of DS ASIA CO., LTD)

Signature by:     /s/ Kanittha Tharanut    

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Signature by:     /s/ Leong Ming Chia    

Name: Leong Ming Chia  
Position: Authorized Representative

For and on behalf of  
DS ASIA CO., LTD (Company chop)

Signed by:     /s/ Weraya Limpasuthum    

Name: Weraya Limpasuthum  
Position: Authorized Representative



EQUITY PLEDGE AGREEMENT

AMONG

MS. WERAYA LIMPASUTHUM

MS. KANITTHA THARANUT

DSWISS (HK) LIMITED

AND

DS ASIA CO., LTD.

JUNE 27, 2016

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## EQUITY PLEDGE AGREEMENT

This EQUITY PLEDGE AGREEMENT (hereinafter, this “AGREEMENT”) is entered into in Thailand as of JUNE 27, 2016 by and among the following Parties:

(1) MS. WERAYA LIMPASUTHUM

ADDRESS: [Redacted]

IDENTITY CARD NUMBER: [Redacted]

(2) MS. KANITTHA THARANUT

ADDRESS: [Redacted]

IDENTITY CARD NUMBER: [Redacted]

(3) DSWISS (HK) LIMITED. (“DSHK”)

REGISTERED ADDRESS: Rm 405, 4/F Energy Plaza, Tsim Sha Tsui East, Kowloon, Hong Kong

(4) DS ASIA CO., LTD. (“DSAC”)

REGISTERED ADDRESS: 268/24 Soi Tao Pun Junction, Pracharat Rd., Bangsue, Bangkok 10800 Thailand

(The above parties shall hereinafter be individually referred to as a “PARTY” and collectively, “PARTIES”.)

Ms. Weraya Limpasuthum, Ms. Kanittha Tharanut hereinafter referred to as an “PLEDGOR” individually, and collectively, the “PLEDGORS”; DSHK hereinafter referred to as a “PLEDGEE”.)

### WHEREAS:

(1) As of the date of this Agreement, Ms. Weraya Limpasuthum, Ms. Kanittha Tharanut and DSHK are the enrolled Shareholders of DSAC, legally holding all the equity in DSAC, of which DSHK holding 49% interest, Ms. Weraya Limpasuthum holding 41% and Ms. Kanittha Tharanut holding 10%.

(2) Pursuant to the Call Option Agreement dated as of JUNE 27, 2016 among DSHK, DSAC and the Pledgors (hereinafter, the “CALL OPTION AGREEMENT”), the Pledgors shall transfer part or all of the equity interest of the DSAC to DSHK and/or any other entity or individual designated by DSHK at the request of the DSHK.

(3) Pursuant to the Shareholders’ Voting Right Proxy Agreement dated as of JUNE 27, 2016 among DSHK, DSAC and the Pledgors (hereinafter, the “PROXY AGREEMENT”), Pledgors has already irrevocably entrusted the personnel designated by DSHK then with full power to exercise on their behalf all of her Shareholders’ voting rights in DSAC.

(4) Pursuant to the Management Services Agreement dated as of JUNE 27, 2016 among DSHK and DSAC (hereinafter, the “SERVICE AGREEMENT”), DSAC has already engaged DSHK exclusively to provide them with relevant management and consultation and other services, for which the DSAC will respectively pay DSHK services accordingly.

(5) As security for performance by the Pledgors of the Contract Obligations (as defined below) and repayment of the Guaranteed Liabilities (as defined below), the Pledgors agree to pledge all of her DSAC Equity to the Pledgee and grants the Pledgee the right to request for repayment in first priority and DSAC agrees such equity pledge arrangement.

THEREFORE, the Parties hereby have reached the following agreement upon mutual consultations:

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## ARTICLE 1 - DEFINITION

1.1 Except as otherwise construed in the context, the following terms in this Agreement shall be interpreted to have the following meanings:

“CONTRACT OBLIGATIONS” shall mean all contractual obligations of Pledgors under the Call Option Agreement, Proxy Agreement and this Agreement; all contractual obligations of DSAC under the Management Services Agreement, Call Option Agreement, Proxy Agreement and this Agreement.

“GUARANTEED LIABILITIES” shall mean all direct, indirect and consequential losses and losses of foreseeable profits suffered by Pledgee due to any Breaching Event (as defined below) of Pledgors, and all fees incurred by Pledgee for the enforcement of the Contractual Obligations of Pledgors.

“TRANSACTION AGREEMENTS” shall mean the Call Option Agreement and the Proxy Agreement in respect of Pledgors; the Management Services Agreement, and Proxy Agreement in respect of DSAC.

“BREACHING EVENT” shall mean any breach by Pledgors of her Contract Obligations under the Proxy Agreement, Call Option Agreement or this Agreement; any breach by DSAC of its Contract Obligations under the Service Agreement, Call Option Agreement and/or Proxy Agreement.

“PLEDGED PROPERTY” shall mean all of the equity interests in DSAC which are legally owned by the Pledgors as of the effective date hereof and is to be pledged by her to the Pledgee according to provisions hereof as the security for the performance by her and DSAC of their Contractual Obligations, and the increased capital contribution and equity interest described in Articles 2.6 and 2.7 hereof;

“LAWS OF THAILAND” shall mean the then valid laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of Thailand.

1.2 The references to any laws of Thailand here in shall be deemed:

(1) to include the references to the amendments, changes, supplements and reenactments of such law, irrespective of whether they take effect before or after the formation of this Agreement; and

(2) to include the references to other decisions, notices or regulations enacted in accordance therewith or effective as a result thereof.

1.3 Except as otherwise stated in the context herein, all references to an Article, clause, item or paragraph shall refer to the relevant part of this Agreement.

## ARTICLE 2 - EQUITY PLEDGE

2.1 Each Pledgor hereby agrees to pledge the Pledged Property, which she legally owns and has the right to dispose of, to Pledgee according to the provisions hereof as the security for the performance of the Contract Obligations and the repayment of the Guaranteed Liabilities. DSAC hereby agrees that the Pledgors legally holding equity interest in it to pledge the Pledged Property to the Pledgee according to the provisions hereof.

2.2 Each Pledgor hereby undertakes that she will be responsible for, recording the arrangement of the equity pledge hereunder (hereinafter, the “EQUITY PLEDGE”) on the Shareholders register of DSAC on the date hereof, and will do its best endeavor to make registration with registration authorities of industry and commerce of DSAC. DSAC undertakes that it will do its best to cooperate with the Pledgors to complete the registration with authorities of industry and commerce under this Article.

2.3 During the valid term of this Agreement, except for the willful misconduct or gross negligence of Pledgee which has direct cause and effect relationship the reduction in value of the Pledged Property, Pledgee shall not be liable in any way to, nor shall Pledgors have any right to claim in any way or propose any demands on Pledgee, in respect of the said reduction in value of the Pledged Property.

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2.4 To the extent not violating provision of Article 2.3 above, in case of any possibility of obvious reduction in value of the Pledged Property which is sufficient to jeopardize Pledgee's rights, Pledgee may at any time auction or sell off the Pledged Property on behalf of Pledgors, and discuss with Pledgors to use the proceeds from such auction or sale-off as pre-repayment of the Guaranteed Liabilities, or may submit such proceeds to the local notary institution where Pledgee are domiciled (any fees incurred in relation thereto shall be borne by Pledgors).

2.5 DSHK as Pledgee shall be deemed to have created the encumbrance of first order in priority on the Pledged Property, and in case of any Breaching Event, Pledgee shall have the right to dispose of the Pledged Property in the way set out in Article 4 hereof.

2.6 Only upon prior consent by Pledgee shall Pledgors be able to increase their capital contribution to any or all of the DSAC. Further capital contribution made by Pledgors in DSAC shall also be part of the Pledged Property.

2.7 Only upon prior consent by Pledgee shall Pledgors be able to receive dividends or share profits from the Pledged Property. The dividends or the profits received by Pledgors from the Pledged Property shall be deposited into Pledgee's bank account designated by Pledgee respectively, to be under the supervision of Pledgee and used as the Pledged Property to repay in priority the Guaranteed Liabilities.

2.8 Pledgors agree to bear liabilities to Pledgee upon occurrence of any Breaching Event on the DSAC and Pledgee shall have the right, upon occurrence of the Breaching Event, to dispose of any Pledged Property of either of Pledgors in accordance with the provisions hereof.

### **ARTICLE 3 - RELEASE OF PLEDGE**

In respect of equity interest of DSAC, upon full and complete performance by Pledgors of all of their Contractual Obligations, Pledgee shall, at the request of Pledgors, release the pledge created on DSAC under this Agreement, and shall cooperate with Pledgors to go through the formalities to cancel the record of the Equity Pledge in the Shareholders register of DSAC, with the reasonable fees incurred in connection with such release to be borne by Pledgee with the same proportion.

### **ARTICLE 4 - DISPOSAL OF THE PLEDGED PROPERTY**

4.1 Pledgors, DSAC and Pledgee hereby agree that, in case of any Breaching Event, Pledgee shall have the right to exercise, upon giving written notice to Pledgors, all of the remedial rights and powers enjoyable by them under laws of Thailand, including but not limited to being repayment in priority with proceeds from auctions or sale-offs of the Pledged Property. Pledgee shall not be liable for any loss as the result of their reasonable exercise of such rights and powers.

4.2 Pledgee shall have the right to designate in writing its legal counsel or other agents to exercise on their respective behalf any and all rights and powers set out above, and neither Pledgors nor DSAC shall oppose thereto.

4.3 The reasonable costs incurred by Pledgee in connection with their exercise of any and all rights and powers set out above shall be borne by Pledgors, and Pledgee shall have the right to deduct the costs actually incurred from the proceeds that they acquire from the exercise of the rights and powers.

4.4 The proceeds that Pledgee acquire from the exercise of their respective rights and powers shall be used in the priority order as follows:

- First, to pay any cost incurred in connection with the disposal of the Pledged Property and the exercise by Pledgee of their respective rights and powers (including remuneration paid to their respective legal counsels and agents);
  - Second, to pay any taxes and levies payable for the disposal of the Pledged Property; and
  - Third, to repay Pledgee for the Guaranteed Liabilities.
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In case of any balance after payment of the above amounts, Pledgee shall return the same to Pledgors according to the relevant laws and rules or submit the same to the local notary institution where Pledgee are domiciled (any fees incurred in relation thereto shall be borne by Pledgors).

#### **ARTICLE 5 - FEES AND COSTS**

All costs actually incurred in connection with the establishment of the Equity Pledge hereunder, including but not limited to stamp duties, any other taxes, all legal fees, etc shall be borne by Pledgee with the same proportion.

#### **ARTICLE 6 - CONTINUITY AND NO WAIVE**

The Equity Pledge hereunder is a continuous guarantee, with its validity to continue until the full performance of the Contractual Obligations or the full repayment of the Guaranteed Liabilities. Neither exemption or grace period granted by Pledgee to Pledgors in respect of their breach, nor delay by Pledgee in exercising any of their rights under this Agreement shall affect the rights of Pledgee under this Agreement, relevant laws of Thailand, the rights of Pledgee to demand at anytime thereafter the strict performance of this Agreement by Pledgors or the rights Pledgee may be entitled to due to subsequent breach by Pledgors of the obligations under this Agreement.

#### **ARTICLE 7 - REPRESENTATIONS AND WARRANTIES BY PLEDGORS**

Each of Pledgors hereby represents and warrants to Pledgee as follows:

7.1 Each Pledgor is a Thai citizen with full capacity, with full and independent legal status and legal capacity to execute, deliver and perform this Agreement, and may act independently as a litigant party. The Pledgors has full power and authorization to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction referred to herein, and it has the full power and authorization to complete the transaction referred to herein.

7.2 All reports, documents and information concerning Pledgors and all matters as required by this Agreement which are provided by Pledgors to Pledgee before this Agreement comes into effect are true, correct and effective in all material aspects as of the execution hereof.

7.3 At the time of the effectiveness of this Agreement, Pledgors are the sole legal owner of the Pledged Property, with no existing dispute whatever concerning the ownership of the Pledged Property. Pledgors have the right to dispose of the Pledged Property or any part thereof.

7.4 Except for the encumbrance set on the Pledged Property hereunder and the rights set under the Transaction Agreements, there is no other encumbrance or third party interest set on the Pledged Property.

7.5 The Pledged Property is capable of being pledged or transferred according to the laws, and Pledgors have the full right and power to pledge the Pledged Property to Pledgee according to this Agreement.

7.6 This Agreement constitutes the legal, valid and binding obligations on Pledgors when it is duly executed by Pledgors.

7.7 Any consent, permission, waive or authorization by any third person, or any approval, permission or exemption by any government authority, or any registration or filing formalities (if required by laws) with any government authority to be handled or obtained in respect of the execution and performance hereof and the Equity Pledge hereunder have already been handled or obtained, and will be fully effective during the valid term of this Agreement.

7.8 The execution and performance by Pledgors of this Agreement are not in violation of or conflict with any laws applicable to them, or any agreement to which they are a party or which has binding effect on their assets, any court judgment, any arbitration award, or any administration authority decision.

7.9 The pledge hereunder constitutes the encumbrance of first order in priority on the Pledged Property.

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7.10 All taxes and fees payable in connection with acquisition of the Pledged Property have already been paid in full amount by Pledgors.

7.11 There is no pending or, to the knowledge of Pledgors, threatened litigation, legal process or demand by any court or any arbitral tribunal against Pledgors, or their property, or the Pledged Property, nor is there any pending or, to the knowledge of Pledgors, threatened litigation, legal process or demand by any government authority or any administration authority against Pledgors, or their property, or the Pledged Property, which is of material or detrimental effect on the economic status of Pledgors or their capability to perform the obligations hereunder and the Guaranteed Liabilities.

7.12 Pledgors hereby warrant to Pledgee that the above representations and warranties will remain true, correct and effective at any time and under any circumstance before the Contractual Obligations are fully performed or the Guaranteed Liabilities are fully repaid, and will be fully complied with.

#### **ARTICLE 8 - REPRESENTATIONS AND WARRANTIES BY DSAC**

DSAC hereby represents and warrants to Pledgee as follows:

8.1 DSAC is a limited liability corporation duly incorporated and validly existing under laws of Thailand, with full capacity of disposition and has obtained due authorization to execute, deliver and perform this Agreement and can independently be a subject of actions.

8.2 All reports, documents and information concerning Pledged Property and all matters as required by this Agreement which are provided by DSAC to Pledgee before this Agreement comes into effect are true, correct and effective in all material aspects as of the execution hereof.

8.3 All reports, documents and information concerning Pledged Property and all matters as required by this Agreement which are provided by DSAC to Pledgee after this Agreement comes into effect are true, correct and effective in all material aspects upon provision.

8.4 This Agreement constitutes the legal, valid and binding obligations on DSAC when it is duly executed by DSAC.

8.5 It has full right and authorization to execute and deliver this Agreement and other documents relating to the transaction as stipulated in this Agreement and to be executed by them. It also has full right and authorization to complete the transaction stipulated in this Agreement.

8.6 There is no pending or, to the knowledge of DSAC, threatened litigation, legal process or demand by any court or any arbitral tribunal against DSAC, or their property (including but are not limited to the Pledged Property), nor is there any pending or, to the knowledge of DSAC, threatened litigation, legal process or demand by any government authority or any administration authority against DSAC, or their property (including but are not limited to the Pledged Property), which is of material or detrimental effect on the economic status of DSAC or their capability to perform the obligations hereunder and the Guaranteed Liabilities.

8.7 DSAC hereby warrants to Pledgee that the above representations and warranties will remain true, correct and effective at any time and under any circumstance before the Contractual Obligations are fully performed or the Guaranteed Liabilities are fully repaid, and will be fully complied with.

#### **ARTICLE 9 - UNDERTAKINGS BY PLEDGORS**

Each of Pledgors hereby individually undertakes to Pledgee as follows:

9.1 Without the prior written consent by Pledgee, Pledgors shall not establish or permit to establish any new pledge or any other encumbrance on the Pledged Property.

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9.2 Without first giving written notice to Pledgee and having Pledgee's prior written consent, Pledgors shall not transfer the Pledged Property, and any attempt by Pledgors to transfer the Pledged Property shall be null and void. The proceeds from transfer of the Pledged Property by Pledgors shall be used to repay to Pledgee in advance the Guaranteed Liabilities or submit the same to the third party agreed with Pledgee.

9.3 In case of any litigation, arbitration or other demand which may affect detrimentally the interest of Pledgors or Pledgee under the Transaction Agreements and hereunder or the Pledged Property, Pledgors undertake to notify Pledgee thereof in writing as soon as possible and promptly and shall take, at the reasonable request of Pledgee, all necessary measures to ensure the pledge interest of Pledgee in the Pledged Property.

9.4 Pledgors shall not carry on or permit any act or action which may affect detrimentally the interest of Pledgee under the Transaction Agreements and hereunder or the Pledged Property.

9.5 Pledgors guarantees that they shall, at the reasonable request of Pledgee, take all necessary measures and execute all necessary documents (including but not limited to supplementary agreement hereof) in respect of ensuring the pledge interest of Pledgee in the Pledged Property and the exercise and realization of the rights thereof.

9.6 In case of assignment of any Pledged Property as the result of the exercise of the right to the pledge hereunder, Pledgors guarantee that they will take all necessary measures to realize such assignment.

#### **ARTICLE 10 - UNDERTAKINGS BY DSAC**

10.1 Any consent, permission, waive or authorization by any third person, or any approval, permission or exemption by any government authority, or any registration or filing formalities (if required by laws) with any government authority to be handled or obtained in respect of the execution and performance hereof and the Equity Pledge hereunder will be cooperated to handle or obtain by DSAC to their best and will be ensured to remain full effective during the valid term of this Agreement.

10.2 Without the prior written consent by Pledgee, DSAC shall not cooperate to establish or permit to establish any new pledge or any other encumbrance on the Pledged Property.

10.3 Without having Pledgee's prior written consent, DSAC shall not cooperate to transfer or permit to transfer the Pledged Property.

10.4 In case of any litigation, arbitration or other demand which may affect detrimentally the interest of DSAC or Pledgee under the Transaction Agreements and hereunder or the equity of DSAC as the Pledged Property, DSAC undertake to notify Pledgee thereof in writing as soon as possible and promptly and shall take, at the reasonable request of Pledgee, all necessary measures to ensure the pledge interest of Pledgee in the Pledged Property.

10.5 DSAC shall not carry on or permit any act or action which may affect detrimentally the interest of Pledgee under the Transaction Agreements and hereunder or the Pledged Property.

10.6 DSAC shall provide Pledgee with the financial statement of the last calendar season within the first month of each calendar season, including but are not limited to the balance sheet, the income statement and the statement of cash flow.

10.7 DSAC guarantee that they shall, at the reasonable request of Pledgee, take all necessary measures and execute all necessary documents (including but not limited to supplementary agreement hereof) in respect of ensuring the pledge interest of Pledgee in the Pledged Property and the exercise and realization of the rights thereof.

10.8 In case of assignment of any Pledged Property as the result of the exercise of the right to the pledge hereunder, DSAC guarantee that they will take all necessary measures to realize such assignment.

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## **ARTICLE 11 - ENCUMBRANCE OF FIRST ORDER IN PRIORITY**

11.1 DSHK has the encumbrance of first order in priority on any and all Pledged Property. Pursuant to the stipulations of the Transaction Agreement, any Breaching Event under any Transaction Agreement shall result in the occurrence of Breaching Event under other Transaction Agreement, DSHK shall claim the pledge interest hereunder to Pledgors relevant to the Breaching Event, and be repaid in priority in the proportion of their respective security amount from the proceeds obtained according to the disposal of Pledged Property stipulated in Article 4 hereof.

## **ARTICLE 12 - CHANGE OF CIRCUMSTANCES**

12 As supplement and subject to compliance with other terms of the Transaction Agreements and this Agreement, in case that at any time the promulgation or change of any laws of Thailand, regulations or rules, or change in interpretation or application of such laws, regulations and rules, or the change of the relevant registration procedures enables Pledgee to believe that it will be illegal or in conflict with such laws, regulations or rules to further maintain the effectiveness of this Agreement and/or dispose of the Pledged Property in the way provided herein, Pledgors and DSAC shall, at the written direction of Pledgee and in accordance with the reasonable request of Pledgee, promptly take actions and/or execute any agreement or other document, in order to:

- (1) keep this Agreement remain in effect;
- (2) facilitate the disposal of the Pledged Property in the way provided herein; and/or
- (3) maintain or realize the intention or the guarantee established hereunder.

## **ARTICLE 13 - EFFECTIVENESS AND TERM OF THIS AGREEMENT**

13.1 This Agreement shall become effective upon this Agreement is duly executed by Pledgors, DSAC and Pledgee

13.2 This Agreement shall have its valid term until the full performance of the Contractual Obligations or the full repayment of the Guaranteed Liabilities.

## **ARTICLE 14 - NOTICE**

14.1 Any notice, request, demand and other correspondences made as required by or in accordance with this Agreement shall be made in writing and delivered to the relevant Party.

14.2 The abovementioned notice or other correspondences shall be deemed to have been delivered when it is transmitted if transmitted by facsimile or telex; it shall be deemed to have been delivered when it is delivered if delivered in person; it shall be deemed to have been delivered five (5) days after posting the same if posted by mail.

## **ARTICLE 15 – MISCELLANEOUS**

15.1 Pledgee may, upon notice to Pledgors but not necessarily with Pledgors' consent, assign Pledgee's rights and/or obligations hereunder to any third party; provided that Pledgors may not, without Pledgee's prior written consent, assign Pledgors' rights, obligations and/or liabilities hereunder to any third party. Successors or permitted assignees (if any) of Pledgors shall continue to perform the obligations of Pledgors under this Agreement.

15.2 This Agreement shall be prepared in English language.

15.3 The formation, validity, execution, amendment, interpretation and termination of this Agreement shall be subject to laws of Thailand.

15.4 Any disputes arising from and in connection with this Agreement shall be settled through consultations among the Parties involved, and if the Parties involved fail to reach an agreement regarding such a dispute within thirty (30) days of its occurrence, such dispute shall be submitted to Thailand Arbitration Center for arbitration in Bangkok accordance with the arbitration rules of such commission, and the arbitration award shall be final and binding on all the Parties involved.

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15.5 Any rights, powers and remedies empowered to any Party by any provisions herein shall not preclude any other rights, powers and remedies enjoyed by such Party in accordance with laws and other provisions under this Agreement, and the exercise of its rights, powers and remedies by a Party shall not preclude its exercise of its other rights, powers and remedies by such Party.

15.6 Any failure or delay by a Party in exercising any of its rights, powers and remedies hereunder or in accordance with laws (hereinafter, the "PARTY'S RIGHTS") shall not lead to a waiver of such rights, and the waiver of any single or partial exercise of the Party's Rights shall not preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

15.7 The titles of the Articles contained herein shall be for reference only, and in no circumstances shall such titles be used in or affect the interpretation of the provisions hereof.

15.8 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more articles herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

15.9 This Agreement shall substitute any other documents on the same subject executed by relevant Parties hereof once duly executed.

15.10 Any amendments or supplements to this Agreement shall be made in writing. Except for assignment by Pledgee of its rights hereunder according to Article 15.1 of this Agreement, the amendments or supplements to this Agreement shall take effect only when properly signed by the Parties to this Agreement.

15.11 This Agreement shall be binding on the legal successors of the Parties.

15.12 At the time of execution hereof, each of Pledgors shall sign respectively a power of attorney (as set out in Appendix I hereto, hereinafter, the "POWER OF ATTORNEY") to authorize any person designated by DSHK to sign on her behalf according to this Agreement any and all legal documents necessary for the exercise by Pledgee of DSHK's rights hereunder. Such Power of Attorney shall be delivered to DSHK to keep in custody and, when necessary, DSHK may at any time submit the Power of Attorney to the relevant government authority.

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IN WITNESS HEREOF, the Parties have caused this Call Option Agreement to be executed in Thailand as of the date first herein above mentioned.

Weraya Limpasuthum (Shareholder of DS ASIA CO., LTD)

Signature by: /s/ Weraya Limpasuthum

Kanittha Tharanut (Shareholder of DS ASIA CO., LTD)

Signature by: /s/ Kanittha Tharanut

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Signature by: /s/ Leong Ming Chia

Name: Leong Ming Chia

Position: Authorized Representative

For and on behalf of  
DS ASIA CO., LTD. (Company chop)

Signed by: /s/ Weraya Limpasuthum

Name: Weraya Limpasuthum

Position: Authorized Representative

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**APPENDIX I:**

FORMAT OF THE POWER OF ATTORNEY

I, \_\_\_\_\_, hereby entrusts \_\_\_\_\_, [with his/her identity card number \_\_\_\_\_,] to be my authorized trustee to sign on my behalf all legal documents necessary or desirous for DSWISS (HK) LIMITED to exercise their rights under the Equity Pledge Agreement between them, myself and DS ASIA CO., LTD..

Signature:

Date:

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CALL OPTION AGREEMENT

AMONG

MS. WERAYA LIMPASUTHUM

MS. KANITTHA THARANUT

DSWISS (HK) LIMITED

AND

DS ASIA CO., LTD.

JUNE 27, 2016

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## CALL OPTION AGREEMENT

This CALL OPTION AGREEMENT (this “AGREEMENT”) is entered into in Thailand as of JUNE 27, 2016 by and among the following Parties:

(1) MS. WERAYA LIMPASUTHUM

ADDRESS: [Redacted]

IDENTITY CARD NUMBER: [Redacted]

(2) MS. KANITTHA THARANUT

ADDRESS: [Redacted]

IDENTITY CARD NUMBER: [Redacted]

(3) DSWISS (HK) LIMITED. (“DSHK”)

REGISTERED ADDRESS: Rm 405, 4/F Energy Plaza, Tsim Sha Tsui East, Kowloon, Hong Kong

(4) DS ASIA CO., LTD. (“DSAC”)

REGISTERED ADDRESS: 268/24 Soi Tao Pun Junction, Pracharat Rd., Bangsue, Bangkok 10800 Thailand

(The above parties shall hereinafter be individually referred to as a “PARTY” and collectively, “PARTIES”. Ms. Weraya Limpasuthum and Kanittha Tharanut shall hereinafter be individually referred to as a “SHAREHOLDER” and collectively, “SHAREHOLDERS”.)

### WHEREAS

(1) Ms. Weraya Limpasuthum, Ms. Kanittha Tharanut and DSHK are the enrolled Shareholders of the DSAC, legally holding all of the equity of the DSAC as of the execution date of this Agreement.

(2) As of the date of this Agreement, Ms. Weraya Limpasuthum, Ms. Kanittha Tharanut and DSHK are the enrolled Shareholders of DSAC, legally holding all the equity in DSAC, of which DSHK holding 49% interest, Ms. Weraya Limpasuthum holding 41% and Ms. Kanittha Tharanut holding 10%.

(3) The Shareholders intend to transfer to DSHK, and DSHK is willing to accept, all her respective equity interest in the DSAC, to the extent not violating laws of Thailand.

(4) In order to conduct the above equity transfer, the Shareholders agree to grant DSHK an irrevocable call option for equity transfer (hereinafter the “CALL OPTION”), under which and to the extent permitted by laws of Thailand, the Shareholders shall on demand of DSHK transfer the Option Equity (as defined below) to DSHK in accordance with the provisions contained herein.

(5) DSAC intends to transfer to DSHK all of its assets and liabilities to the extent not violating laws of Thailand. In order to conduct the above asset transfer, DSAC agrees to grant DSHK an irrevocable call option for assets (hereinafter the “ASSET CALL OPTION”), under which and to the extent as permitted by laws of Thailand, DSAC shall on demand of DSHK transfer the assets and liabilities to DSHK in accordance with the provisions contained herein.

THEREFORE, the Parties hereby have reached the following agreement upon mutual consultations:

### ARTICLE 1 - DEFINITION

“THB” shall mean the Thai Baht, the lawful currency of Thailand.



“LAWS OF THAILAND” shall mean the then valid laws, administrative regulations, administrative rules, local regulations, judicial interpretations and other binding regulatory documents of Thailand.

“OPTION EQUITY” shall mean, in respect of each of the Shareholders, all of the equity interest held thereby in DSAC registered capital.

“DSAC REGISTERED CAPITAL” shall mean the registered capital of DSAC as of the execution date of this Agreement, i.e., THB 2.00, which shall include any expanded registered capital as the result of any capital increase within the term of this Agreement.

“TRANSFERRED EQUITY” shall mean the equity of DSAC which DSHK has the right to require the Shareholders to transfer to it or its designated entity or individual when DSHK exercises its Call Option (hereinafter the “EXERCISE OF OPTION”) in accordance with Article 3.2 herein, the amount of which may be all or part of the Option Equity and the details of which shall be determined by DSHK at its sole discretion in accordance with the then valid Laws of Thailand and from its commercial consideration.

“TRANSFER PRICE” shall mean all the consideration that DSHK or its designated entity or individual is required to pay to the Shareholders in order to obtain the Transferred Equity upon each Exercise of Option. In spite of any provision herein, in case of DSHK exercising the call option in its sole discretion upon the occurrence of the situation in which such call option exercise become feasible under the relevant laws in Thailand, any additional consideration paid other than the THB 1.00 which may be required under the laws of Thailand to effect such purchase to comply with such legal formalities shall be either cancelled or returned to the company immediately with no additional compensation to the owners. The Shareholders hereby acknowledges the purpose of such provisions and hereby agrees and authorizes the company to take any and all actions to effect such transaction and agrees irrevocably to execute any and all documents and instruments and authorize DSHK and its designated entity or individual to sign on his or her behalf and hereby gives the DSHK and its designated entity or individual a proxy to execute and deliver such documents and instruments to effect the purpose of this provision and hereby waives any defense or claim of causes of action to challenge or defeat this provision. If there exists any regulatory provision with respect to Transfer Price under the then Laws of Thailand, DSHK or its designated entity or individual shall be entitled to determine the lowest price permitted by Laws of Thailand as the Transfer Price.

“BUSINESS PERMITS” shall mean any approvals, permits, filings, registrations etc. which DSAC is required to have for legally and validly operating its advertisement designing, producing, agency, publishing and all such other businesses, including but not limited to the Business License of the Cooperate Legal Person, the Tax Registration Certificate, the Permit for Operating Biotechnology Businesses and such other relevant licenses and permits as required by the then Laws of Thailand.

“DSAC ASSETS” shall mean all the tangible and intangible assets which such DSAC owns or has the right to use during the term of this Agreement, including but not limited to any immoveable and moveable assets, and such intellectual property rights as trademarks, copyrights, patents, proprietary know-how, domain names and software use rights.

“THE MANAGEMENT SERVICES AGREEMENT” shall mean the Management Services Agreement entered into among each party dated JUNE 27, 2016.

“MATERIAL AGREEMENT” shall mean an agreement to which any DSAC is a party and which has a material impact on the businesses or assets of the DSAC, including but not limited to the Management Services Agreement among the DSAC and DSHK, and other agreements regarding the DSAC’s business.

1.2 The references to any Laws of Thailand herein shall be deemed

(1) to include the references to the amendments, changes, supplements and reenactments of such law, irrespective of whether they take effect before or after the formation of this Agreement; and

(2) to include the references to other decisions, notices or regulations enacted in accordance therewith or effective as a result thereof.

1.3 Except as otherwise stated in the context herein, all references to an Article, clause, item or paragraph shall refer to the relevant part of this Agreement.

## ARTICLE 2 - GRANT OF CALL OPTION

The Parties agree that the Shareholders exclusively grant DSHK hereby irrevocably and without any additional conditions with a Call Option, under which DSHK shall have the right to require the Shareholders to transfer the Option Equity to DSHK or its designated entity or individual in such method as set out herein and as permitted by Laws of Thailand. DSHK also agrees to accept such Call Option.

In case of DSHK exercising the call option in its sole discretion upon the occurrence of the situation in which such call option exercise become feasible under the relevant laws in Thailand, any additional consideration paid other than the THB 1.00 which may be required under the laws of Thailand to effect such purchase to comply with such legal formalities shall be either cancelled or returned to the company immediately with no additional compensation to the DSAC and Shareholders. DSAC and Shareholders hereby acknowledge the purpose of such provisions and hereby agrees and authorizes the company to take any and all actions to effect such transaction and agrees irrevocably to execute any and all documents and instruments and authorize the company's relevant officers to sign on his or her behalf and hereby gives the company and any of its relevant officers a proxy to execute and deliver such documents and instruments to effect the purpose of this provision and hereby waives any defense or claim of causes of action to challenge or defeat this provision.

## ARTICLE 3 - METHOD OF EXERCISE OF OPTION

3.1 To the extent permitted by Laws of Thailand, DSHK shall have the sole discretion to determine the specific time, method and times of its Exercise of Option.

3.2 At each Exercise of Option by DSHK, the Shareholders shall transfer her respective equity in the DSAC to DSHK and/or other entity or individual designated by it respectively in accordance with the amount required in the Exercise Notice stipulated in Article 3.4. DSHK and other entity or individual designated by it shall pay the Transfer Price to the Shareholders who has transferred the Transferred Equity for the Transferred Equity accepted in each Exercise of Option. DSHK shall have the right to elect to pay the purchase price by settlement of certain credits held by it or its affiliates to the Shareholders.

3.3 In each Exercise of Option, DSHK may accept the Transferred Equity by itself or designate any third party to accept all or part of the Transferred Equity.

3.4 On deciding each Exercise of Option, DSHK shall issue to the Shareholders a notice for exercising the Call Option (hereinafter the "EXERCISE NOTICE", the form of which is set out as Appendix I hereto). The Shareholders shall, upon receipt of the Exercise Notice, forthwith transfer all the Transferred Equity in accordance with the Exercise Notice to DSHK and/or other entity or individual designated by DSHK in such method as described in Article 3.2 herein.

3.5 The Shareholders hereby undertakes and guarantees that once DSHK issues the Exercise Notice in respect to the specific Transferred Equity of the DSAC held by it:

(1) it shall immediately hold or request to hold a Shareholders' meeting of the DSAC and adopt a resolution through the Shareholders' meeting, and take all other necessary actions to agree to the transfer of all the Call Option to DSHK and/or other entity or individual designated by it at the Transfer Price and waive the possible preemption;

(2) it shall immediately enter into an equity transfer agreement with DSHK and/or other entity or individual designated by it for transfer of all the Transferred Equity to DSHK and/or other entity or individual designated by it at the Transfer Price; and

(3) it shall provide DSHK with necessary support (including providing and executing all the relevant legal documents, processing all the procedures for government approvals and registrations and bearing all the relevant obligations) in accordance with the requirements of DSHK and of the laws and regulations, in order that DSHK and/or other entity or individual designated by it may take all the Transferred Equity free from any legal defect.

3.6 At the meantime of this Agreement, the Shareholders shall respectively enter into a power of attorney (hereinafter the “POWER OF ATTORNEY”, the form of which is set out as Appendix II hereto), authorizing in writing any person designated by DSHK to, on behalf of such Shareholders, to enter into any and all of the legal documents in accordance with this Agreement so as to ensure that DSHK and/or other entity or individual designated by it take all the Transferred Equity free from any legal defect. Such Power of Attorney shall be delivered for custody by DSHK and DSHK may, at any time if necessary, require the Shareholders to enter into multiple copies of the Power of Attorney respectively and deliver the same to the relevant government department.

#### **ARTICLE 4 - ASSET CALL OPTION**

DSAC and the Shareholders hereby further undertake to grant DSHK irrevocably an option to purchase assets within the term of this Agreement: to the extent not violating the mandatory requirements under Laws of Thailand, DSAC will transfer all of its assets and liabilities to DSHK and/or other entity or individual designated by it when required by DSHK.

In case of the DSHK exercising the Asset Call Option in its sole discretion upon the occurrence of the situation in which such call option exercise become feasible under the relevant laws in Thailand, any additional consideration paid other than the THB 1.00 which may be required under the laws of Thailand to effect such purchase to comply with such legal formalities shall be either cancelled or returned to the company immediately with no additional compensation to the DSAC and Shareholders. DSAC and Shareholders hereby acknowledge the purpose of such provisions and hereby agree and authorize the company to take any and all actions to effect such transaction and agrees irrevocably to execute any and all documents and instruments and authorize the company’s relevant officers to sign on his or her behalf and hereby gives the company and any of its relevant officers a proxy to execute and deliver such documents and instruments to effect the purpose of this provision and hereby waives any defense or claim of causes of action to challenge or defeat this provision.

#### **ARTICLE 5 - REPRESENTATIONS AND WARRANTIES**

5.1 Each of the Shareholders hereby represents and warrants in respect to itself and the DSAC in which she holds equity as follows:

5.1.1 Each of the Shareholders is a Thai citizen with full capacity, with full and independent legal status and legal capacity to execute, deliver and perform this Agreement, and may act independently as a litigant party.

Each of the Shareholders has full power and authorization to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction referred to herein, and it has the full power and authorization to complete the transaction referred to herein.

5.1.2 This Agreement is executed and delivered by Shareholders legally and properly. This Agreement constitutes the legal and binding obligations on Shareholders and is enforceable on it in accordance with its terms and conditions. The Shareholders are the enrolled legal owner of the Option Equity as of the effective date of this Agreement, and except the rights created by this Agreement, the Shareholders’ Voting Rights Proxy Agreement entered into by Shareholders, DSHK and DSAC dated JUNE 27, 2016 (the “PROXY AGREEMENT”), the Equity Pledge Agreement entered into by Shareholders, DSHK, the DSAC dated JUNE 27, 2016 (the “EQUITY PLEDGE AGREEMENT”), there is no lien, pledge, claim and other encumbrances and third party rights on the Option Equity. In accordance with this Agreement, DSHK and/or other entity or individual designated by it may, after the Exercise of Option, obtain the proper title to the Transferred Equity free from any lien, pledge, claim and other encumbrances and third party rights.

5.1.3 DSAC shall obtain complete Business Permits as necessary for its operations upon this Agreement taking effect, and DSAC shall have sufficient rights and qualifications to operate within Thailand the businesses of trading and other business relating to its current business structure. DSAC has conducted its business legally since its establishment and has not incurred any cases which violate or may violate the regulations and requirements set forth by the departments of commerce and industry, tax, culture, news, quality technology supervision, labor and social security and other governmental departments or any disputes in respect of breach of contract.

5.2 DSAC hereby represents and warrants as follows:

5.2.1 DSAC is a limited liability company operation duly registered and validly existing under Laws of Thailand, with independent status as a legal person; DSAC has full and independent legal status and legal capacity to execute, deliver and perform this Agreement, and may act independently as a subject of actions.

5.2.2 DSAC has full power and authorization to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction referred to herein, and it has the full power and authorization to complete the transaction referred to herein.

5.2.3 This Agreement is executed and delivered by DSAC legally and properly. This Agreement constitutes legal and binding obligations on it.

5.2.4 The Shareholders is the enrolled legal Shareholders of the Option Equity when this Agreement comes into effect, except the rights created by this Agreement, the Proxy Agreement, the Equity Pledge Agreement, there is no lien, pledge, claim and other encumbrances and third party rights on the Option Equity. In accordance with this Agreement, DSHK and/or other entity or individual designated by it may, upon the Exercise of Option, obtain the proper title to the Transferred Equity free from any lien, pledge, claim and other encumbrances and third party rights.

5.2.5 DSAC shall obtain complete Business Permits as necessary for its Operations upon this Agreement taking effect, and DSAC shall have sufficient rights and qualifications to operate within Thailand the businesses of trading and other business relating to its current business structure. DSAC has conducted its business legally since its establishment and has not incurred any cases which violate or may violate the regulations and requirements set forth by the departments of commerce and industry, tax, culture, news, quality technology supervision, labor and social security and other governmental departments or any disputes in respect of breach of contract.

5.3 DSHK hereby represents and warrants as follows:

5.3.1 DSHK is a company with limited liability properly registered and legally existing under Laws of Hong Kong, with an independent status as a legal person. DSHK has full and independent legal status and legal capacity to execute, deliver and perform this Agreement and may act independently as a subject of actions.

5.3.2 DSHK has full power and authorization to execute and deliver this Agreement and all the other documents to be entered into by it in relation to the transaction referred to herein, and it has the full power and authorization to complete the transaction referred to herein.

#### **ARTICLE 6 - UNDERTAKINGS BY THE SHAREHOLDERS**

6.1 The Shareholders hereby individually undertake within the term of this Agreement that it must take all necessary measures to ensure that DSAC is able to obtain all the Business Permits necessary for its business in a timely manner and all the Business Permits remain in effect at any time.

6.2 The Shareholders hereby individually undertake within the term of this Agreement that without the prior written consent by DSHK,

6.2.1 no Shareholders shall transfer or otherwise dispose of any Option Equity or create any encumbrance or other third party rights on any Option Equity;

6.2.2 it shall not increase or decrease the DSAC Registered Capital or cast affirmative vote regarding the aforesaid increase or decrease in registered capital;

6.2.3 it shall not dispose of or cause the management of DSAC to dispose of any of the DSAC Assets (except as occurs during the arm's length operations);

6.2.4 it shall not terminate or cause the management of DSAC to terminate any Material Agreements entered into by DSAC, or enter into any other Material Agreements in conflict with the existing Material Agreements;

6.2.5 it shall not cause DSAC to conduct any transactions that may substantively affect the asset, liability, business operation, equity structure, equity of a third party and other legal rights (except those occurring during the arm's length operations or daily operation, or having been disclosed to and approved by DSHK in writing);

6.2.6 it shall not appoint or cancel or replace any executive directors or members of board of directors (if any), supervisors or any other management personnel of DSAC to be appointed or dismissed by the Shareholders;

6.2.7 it shall not announce the distribution of or in practice release any distributable profit, dividend or share profit or cast affirmative votes regarding the aforesaid distribution or release;

6.2.8 it shall ensure that DSAC shall validly exist and prevent it from being terminated, liquidated or dissolved;

6.2.9 it shall not amend the Articles of Association of DSAC or cast affirmative votes regarding such amendment;

6.2.10 it shall ensure that DSAC shall not lend or borrow any money, or provide guarantee or engage in security activities in any other forms, or bear any substantial obligations other than on the arm's length basis; and

6.3 The Shareholders hereby individually undertake that it must make all its efforts during the term of this Agreement to develop the business of DSAC, and ensure that the operations of DSAC are legal and in compliance with the regulations and that it shall not engage in any actions or omissions which might harm the DSAC Assets or its credit standing or affect the validity of the Business Permits of DSAC.

6.4 Without limiting the generality of Article 6.3 above, considering the fact that the Shareholders of DSAC sets aside all the equity interest held thereby in DSAC as security to secure the performance by DSAC of the obligations under the Management Services Agreement, the performance of such Shareholders of the obligations under the Proxy Agreement, the Shareholders undertakes to, within the term of this Agreement, make full and due performance of any and all of the obligations on the part thereof under the Proxy Agreement, and to procure the full and due performance of DSAC of any and all of its obligations under the Management Services Agreement and warrants that no adverse impact on exercising the rights under this Agreement by DSHK will be incurred due to the breach by the Shareholders of the Proxy Agreement or the breach of the DSAC of the Management Services Agreement.

6.5 DSAC undertakes that, before its Exercise of Option and acquire all equity of DSAC, DSAC shall not do the following:

6.5.1 Sell, transfer, mortgage or dispose by other way any assets, business, revenue or other legal rights of DSAC, or permit creating any encumbrance or other third party's interest on such assets, business, revenue or other legal rights (except as occurs during the arm's length or operations or daily operation, or as is disclosed to DSHK and approved by DSHK in writing);

6.5.2 conduct any transactions that may substantively affect the asset, liability, business operation, equity structure, equity of a third party and other legal rights (except those occurring during the arm's length operations or daily operation, or having been disclosed to DSHK and approved by DSHK in writing);

6.5.3 release any dividend or share profit to the Shareholders or cause the DSAC to do so in any form.

#### **ARTICLE 7 - CONFIDENTIALITY**

7.1 Notwithstanding the termination of this Agreement, the Shareholders shall be obligated to keep in confidence the following information (hereinafter collectively the "CONFIDENTIAL INFORMATION"): (i) information on the execution, performance and the contents of this Agreement; (ii) the commercial secret, proprietary information and customer information in relation to DSHK known to or received by it as the result of execution and performance of this Agreement; and (iii) the commercial secrets, proprietary information and customer information in relation to DSAC known to or received by it as the Shareholders of DSAC.

The Shareholders may use such Confidential Information only for the purpose of performing its obligations under this Agreement. The Shareholders shall not disclose the above Confidential Information to any third parties without the written consent from DSHK, or they shall bear the default liability and indemnify the losses.

7.2 Upon termination of this Agreement, the Shareholders shall, upon demand by DSHK, return, destroy or otherwise dispose of all the documents, materials or software containing the Confidential Information and suspend using such Confidential Information.

7.3 Notwithstanding any other provisions herein, the validity of this Article shall not be affected by the suspension or termination of this Agreement.

#### **ARTICLE 8 - TERM OF AGREEMENT**

This Agreement shall take effect as of the date of formal execution by the Parties. This Agreement shall terminate when all the Option Equity of DSAC held by the Shareholders is legally transferred under the name of DSHK and/or other entity or individual designated by it in accordance with the provisions of this Agreement.

#### **ARTICLE 9 - NOTICE**

9.1 Any notice, request, demand and other correspondences made as required by or in accordance with this Agreement shall be made in writing and delivered to the relevant Party.

9.2 The abovementioned notice or other correspondences shall be deemed to have been delivered when it is transmitted if transmitted by facsimile or telex; it shall be deemed to have been delivered when it is delivered if delivered in person; it shall be deemed to have been delivered five (5) days after posting the same if posted by mail.

#### **ARTICLE 10 - LIABILITY FOR BREACH OF CONTRACT**

10.1 The Parties agree and confirm that, if any party (hereinafter the "DEFAULTING PARTY") breaches substantially any of the provisions herein or omits substantially to perform any of the obligations hereunder, or fails substantially to perform any of the obligations under this Agreement, such a breach or omission shall constitute a default under this Agreement (hereinafter a "DEFAULT"), then non-defaulting Party shall have the right to require the Defaulting Party to rectify such Default or take remedial measures within a reasonable period. If the Defaulting Party fails to rectify such Default or take remedial measures within such reasonable period or within ten (10) days of non-defaulting Party's notifying the Defaulting Party in writing and requiring it to rectify the Default, then non-defaulting Party shall have the right at its own discretion to select any of the following remedial measures:

- (1) to terminate this Agreement and require the Defaulting Party to indemnify it for all the damage; or
- (2) mandatory performance of the obligations of the Defaulting Party hereunder and require the Defaulting Party to indemnify it for all the damage.

10.2 Without limiting the generality of Article 10.1, any breach of the Proxy Agreement, the Equity Pledge Agreement shall be deemed as having constituted the breach by such Shareholders of this Agreement; and any breach by DSAC of any provision in the Management Services Agreement, if attributable to the failure of the Shareholders to perform the obligations thereof under Article 6.4 hereof, shall be deemed as having constituted the breach by such Shareholders of this Agreement.

10.3 The Parties agree and confirm that in no circumstances shall the Shareholders request the termination of this Agreement for any reason, except otherwise stipulated by law or this Agreement.

10.4 Notwithstanding any other provisions herein, the validity of this Article shall stand disregarding the suspension or termination of this Agreement.

#### **ARTICLE 11 - MISCELLANEOUS**

11.1 This Agreement shall be prepared in English language.

11.2 The formation, validity, execution, amendment, interpretation and termination of this Agreement shall be subject to Laws of Thailand.

11.3 Any disputes arising from and in connection with this Agreement shall be settled through consultations among the Parties involved, and if the Parties involved fail to reach an agreement regarding such a dispute within thirty (30) days of its occurrence, such dispute shall be submitted to Thailand Arbitration Center for arbitration in Bangkok accordance with the arbitration rules of such commission, and the arbitration award shall be final and binding on all the Parties involved.

11.4 Any rights, powers and remedies empowered to any Party by any provisions herein shall not preclude any other rights, powers and remedies enjoyed by such Party in accordance with laws and other provisions under this Agreement, and the exercise of its rights, powers and remedies by a Party shall not preclude its exercise of its other rights, powers and remedies by such Party.

11.5 Any failure or delay by a Party in exercising any of its rights, powers and remedies hereunder or in accordance with laws (hereinafter the "PARTY'S RIGHTS") shall not lead to a waiver of such rights, and the waiver of any single or partial exercise of the Party's Rights shall not preclude such Party from exercising such rights in any other way and exercising the remaining part of the Party's Rights.

11.6 The titles of the Articles contained herein shall be for reference only, and in no circumstances shall such titles be used in or affect the interpretation of the provisions hereof.

11.7 Each provision contained herein shall be severable and independent from each of other provisions, and if at any time any one or more articles herein become invalid, illegal or unenforceable, the validity, legality or enforceability of the remaining provisions herein shall not be affected as a result thereof.

11.8 Upon execution, this Agreement shall substitute any other legal documents previously executed by the Parties on the same subject.

11.9 Any amendments or supplements to this Agreement shall be made in writing and shall take effect only when properly signed by the Parties to this Agreement.

11.10 Without prior written consent by DSHK, the Shareholders shall not transfer to any third party any of its right and/or obligation under this Agreement, DSHK shall have the right to transfer to any third party designated by it any of its right and/or obligation under this Agreement after notice to the Shareholders.

11.11 This Agreement shall be binding on the legal successors of the Parties.

[The remainder of this page is left blank]

IN WITNESS HEREOF, the Parties have caused this Call Option Agreement to be executed in Thailand as of the date first herein above mentioned.

Weraya Limpasuthum (Shareholder of DS ASIA CO., LTD)

Signature by: /s/ Weraya Limpasuthum

Kanittha Tharanut (Shareholder of DS ASIA CO., LTD)

Signature by: /s/ Kanittha Tharanut

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Signature by: /s/ Leong Ming Chia  
Name: Leong Ming Chia  
Position: Authorized Representative

For and on behalf of  
DS ASIA CO., LTD. (Company chop)

Signed by: /s/ Weraya Limpasuthum  
Name: Weraya Limpasuthum  
Position: Authorized Representative



**APPENDIX I:**

**FORMAT OF THE OPTION EXERCISE NOTICE**

To: [Full name of Shareholders of DS ASIA CO., LTD.]

As our company and you signed an Call Option Agreement as of JUNE 27, 2016 (hereinafter the "OPTION AGREEMENT"), and reached an agreement that you shall transfer the equity you hold in DS ASIA CO., LTD. (hereinafter the "DSAC") to our company or any third parties designated by our company on demand of our company to the extent as permitted by Laws of Thailand and regulations, Therefore, our company hereby gives this Notice to you as follows:

Our company hereby requires to exercise the Call Option under the Option Agreement and DSWISS (HK) LIMITED, designated by our company shall accept the equity you hold accounting for \_\_\_\_\_ % of DS ASIA CO., LTD. Registered Capital (hereinafter the "PROPOSED ACCEPTED EQUITY"). You are required to forthwith transfer all the Proposed Accepted Equity to DSWISS (HK) LIMITED upon receipt of this Notice in accordance with the agreed terms in the Option Agreement.

Best regards,

For and on behalf of  
DSWISS (HK) LIMITED (Company chop)

Authorized Representative:

Date:

**APPENDIX II:**

**FORM OF THE POWER OF ATTORNEY**

I, \_\_\_\_\_, hereby irrevocably entrust \_\_\_\_\_ [with his/her identity card number of \_\_\_\_\_], as the authorized representative of me, to sign the Equity Transfer Agreement and other relevant legal documents between me and \_\_\_\_\_ regarding the Equity Transfer of DS ASIA CO., LTD.

Signature:

Date:



## CERTIFICATION

I, LEONG MING CHIA, certify that:

1. I have reviewed this quarterly report on Form 10-Q of DSwiss, Inc. (the “Company”) for the quarter ended June 30, 2016;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
  - c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: August 15, 2016

By: */s/ Leong Ming Chia*

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LEONG MING CHIA  
Chief Executive Officer, President, Director  
(Principal Executive Officer)

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## CERTIFICATION

I, CHUA LEE YEE, certify that:

1. I have reviewed this quarterly report on Form 10-Q of DSwiss, Inc. (the "Company") for the quarter ended June 30, 2016;
2. Based on my knowledge, this quarterly report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 15, 2016

By: */s/ Chua Lee Yee*

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CHUA LEE YEE  
Chief Financial Officer, Secretary, Treasurer, Director  
(Principal Financial Officer, Principal Accounting Officer)

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of DSwiss, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), The undersigned hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 15, 2016

*/s/ Leong Ming Chia*  

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**By:LEONG MING CHIA**  
Chief Executive Officer, President, Director  
(Principal Executive Officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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**CERTIFICATION PURSUANT TO  
18 U.S.C. SECTION 1350,  
AS ADOPTED PURSUANT TO  
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of DSwiss, Inc. (the "Company") on Form 10-Q for the period ending June 30, 2016 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), The undersigned hereby certifies, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge and belief:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: August 15, 2016

*/s/ Chua Lee Yee*  

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**By: CHUA LEE YEE**  
Chief Financial Officer, Secretary, Treasurer, Director  
(Principal Financial Officer, Principal Accounting Officer)

A signed original of this written statement required by Section 906, or other document authenticating, acknowledging, or otherwise adopting the signature that appears in typed form within the electronic version of this written statement has been provided to the Company and will be retained by the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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