

**GRAND COURT OF THE CAYMAN ISLANDS****CIVIL DIVISION**

CAUSE NO: OF 2023 ()

**IN THE MATTER OF THE DEED OF GUARANTEE AND UNDERTAKING DATED 31
JANUARY 2022****AND IN THE MATTER OF GCR ORDER 50, RULE 11**

STOP NOTICE

To: WM Motor Holdings Limited, c/o Maples Corporate Services Limited, P.O. Box 309,
Ugland House, South Church Street, George Town, Grand Cayman, KY1-1104, Cayman
Islands

TAKE NOTICE that all ordinary shares of which Best Model International Limited is the
registered shareholder or of which it is otherwise the beneficial owner are subject to the
terms of this Notice.

This **NOTICE** is intended to stop the transfer of the said securities and not the payment of
any dividend or interest due thereon.


SHENGGANG ZHU

For and on Behalf of Topgearasia Capital (Cayman) Limited

NOTE: No transfer of the securities referred to above shall be registered nor shall any such payment as is referred to above
be made until 14 days after sending notice thereof to the following (on whose behalf the above stop notice has been filed):
Topgearasia Capital (Cayman) Limited c/o Conyers Dill & Pearman LLP, SIX, Cricket Square, P.O. Box 2681, Grand
Cayman KY1-1111, Cayman Islands. (Attn: Erik Bodden and Jordan McErlean/#837003).

This stop notice was filed by Conyers Dill & Pearman LLP, Attorneys-at-Law for Topgearasia Capital (Cayman) Limited,
whose address for service and correspondence is SIX, Cricket Square, PO Box 2681, Grand Cayman, KY1-1111, Cayman
Islands (Attn: Erik Bodden and Jordan McErlean/#837003).

Shenggang Zhu
Affirmation
Topgearasia Capital (Cayman) Limited
23 February 2023
Exhibit SZ -1

IN THE GRAND COURT OF THE CAYMAN ISLANDS

CIVIL DIVISION

CAUSE NO: OF 2023

IN THE MATTER OF THE DEED OF GUARANTEE AND UNDERTAKING DATED 31
JANUARY 2022

AND IN THE MATTER OF GCR ORDER 50, RULE 11

AFFIRMATION OF SHENGGANG ZHU

I, **Shenggang Zhu**, of Suite 506, 5/F, 1 Connaught Road Central, Hong Kong, S.A.R., do solemnly, sincerely and truly affirm and say as follows:

1. I am the company secretary of Topgearasia Capital (Cayman) Limited, an exempted limited company incorporated and existing under the laws of the Cayman Islands (the "**Applicant**"). I am duly authorised to make this affirmation on behalf of the Applicant.
2. I make this Affirmation in support of an application for a Stop Notice (the "**Stop Notice**") in the form annexed hereto, pursuant to Order 50, rule 11 of the Grand Court Rules ("**GCR**") in respect of the ordinary shares (the "**Shares**") in WM Motor Holdings Limited (the "**Company**") which are currently registered in the name of Best Model International Limited (the "**Guarantor**") or otherwise held by the Guarantor.

3. Unless indicated otherwise, the facts deposed to in this Affirmation are within my own knowledge and are true. Otherwise, the facts deposed herein are true to the best of my knowledge, information and belief from the sources identified. For the avoidance of doubt, nothing in this Affirmation is intended to amount to a waiver of legal privilege and all legal privilege is expressly reserved.
4. A copy of the Stop Notice which I have executed on behalf of the Applicant is annexed to this Affirmation. There is now produced and shown to me, an exhibit marked "**SZ - 1**". Unless otherwise stated, page references herein are to pages in **SZ - 1**.

Address for Service

5. The Applicant can be reached for the service of a Notice pursuant to Order 50, rule 12 of the GCR at the address of its legal practitioners, Conyers Dill & Pearman LLP at SIX, Cricket Square, PO Box 2681, Grand Cayman KY1-1111, Cayman Islands (Attn: Erik Bodden and Jordan McErlean/#837003).

Identity of Securities Claimed

6. The Applicant claims to be beneficially entitled to all of the ordinary shares in the Company that are held by the Guarantor, whether in its own name or otherwise, to meet the full amount of the Guarantor's debts owing to the Applicant. The details of the Applicant's claim and its entitlement to these shares are set-out below.

The Deed of Guarantee and Undertaking

7. The Applicant entered into a Convertible Note Purchase Agreement on 31 January 2022 under which the Company agreed to issue to the Applicant a convertible senior note (the "**Note**") in the principal amount of US\$20,000,000. A copy of the Convertible Note Purchase Agreement is exhibited at pages **1 to 107**. A copy of the Note dated 31 January 2022 is exhibited at **pages 108 to 128**.

8. As a condition of the Applicant's purchase of the Note, the Guarantor executed a Deed of Guarantee and Undertaking in favour of the Applicant dated 31 January 2022 (the "**Deed of Guarantee and Undertaking**") under which the Guarantor undertakes to guarantee the total principal and interest due and owing under the Note to the Applicant. A copy of the Deed of Guarantee and Undertaking is exhibited at **pages 129 to 143**.
9. Pursuant to Clause 2.2 of the Deed of Guarantee and Undertaking the Guarantor undertakes to hold, by way of security for the amounts that it may be required to pay to the Applicant, such ordinary shares in the Company having an aggregate Fair Market Value equal to the Principal Amount outstanding under the Note plus interest accrued thereon. The Fair Market Value of the Company and the Principal Amount is further defined by a formula set-out in Clause 2.2. A copy of Clause 2.2 of the Deed of Guarantee and Undertaking is exhibited at **page 130**.
10. In the event that the Company defaults in performing its payment obligations under the Note, the Guarantor also undertakes to promptly take all actions as the Applicant may demand to cause the irrevocable transfer of legal and beneficial ownership of all ordinary shares of the Company which it holds as would be needed to secure the Company's obligations to the Applicant (see Clause 2.6 of the Deed of Guarantee and Undertaking). A copy of Clause 2.6 of the Deed of Guarantee and Undertaking is exhibited at **page 131**.
11. In Clause 7.5 of the Deed of Guarantee and Undertaking, the Guarantor represented and warranted that at the date of its execution it was the record holder and legal owner of 319,618,537 fully paid and duly issued Class A Ordinary Shares of the Company. A copy of clause 7.5 of the Deed of Guarantee and Undertaking is exhibited at **page 135**.

Enforcement

12. The Company failed to pay interest under the Note which was due on 31 August 2022. For that default, the Company is required to pay additional default interest pursuant to Clause 2.6 of the Note. The failure to pay interest and default interest on the due dates constitute Events of Default under Clause 2.4 of the Note. Although on 31 January 2023 the Company paid the interest that it should have paid on 31 August 2022, it has failed to pay the outstanding default interest. The Company also had not completed its initial public offering by 31 December 2022. These matters are treated as redemption events under Clause 5.2 (non-payment of interest amounting to Event of Default) and Clause 5.3 (failure to complete the IPO) of the Note pursuant to which the Applicant has the option to request in writing a redemption at a price specified in the Note (the “**Redemption Price**”). Clause 2.6 of the Note is exhibited at **page 114** and Clauses 5.2 and 5.3 of the Note are exhibited at **page 121**.
13. On 4 January 2023, the Applicant delivered a No-IPO Redemption Notice (pursuant to Clause 5.3 of the Note and Section 2 of the Supplemental Agreement to the Note dated 31 January 2022) to the Company which requires the Company to pay the Redemption Price of US\$22,000,750 by 31 January 2023. A copy of the Supplemental Agreement to the Note is exhibited at **page 144 to 151**. A copy of the No-IPO Redemption Notice is exhibited at **page 152 to 154**.
14. On 19 January 2023, without prejudice to and without affecting the validity and/or the effect of the No-IPO Redemption Notice, the Applicant sent the Company a Default Redemption Notice (pursuant to clause 5.2 of the Note) for failure to make interest payments under the Note on the due dates. The Default Redemption Notice demanded payment of the Redemption Price of US\$22,280,208 by 31 January 2023. A copy of the Default Redemption Notice is exhibited at **page 155 to 157**.

15. On 31 January 2023, the Applicant received only the sum of US\$3,300,000 from the Company as partial payment of the outstanding Redemption Price and interest due and owing to the Applicant. A copy of a letter dated 2 February 2023 sent via the Applicant's Hong Kong legal advisers, Deacons, confirming this fact is exhibited at **pages 158 to 160**.

16. The failure of the Company to pay the full Redemption Price claimed in the No-IPO Redemption Notice and the Default Redemption Notice constitute breaches by the Company of its obligations in Clauses 5.2 and 5.3 of the Note. The Guarantor has irrevocably and unconditionally guaranteed the performance of these obligations under Clause 2.1 of the Deed of Guarantee and Undertaking. Accordingly, if demanded to do so, the Guarantor is required to pay the Outstanding Redemption Price and, under Clause 2.6 of the Deed of Guarantee and Undertaking, if it fails to do so upon demand, to irrevocably transfer to the Applicant the legal and beneficial ownership of all ordinary shares of the Company which are held in the Guarantor's name or otherwise. A copy of Clauses 2.1 and 2.6 of the Deed of Guarantee and Undertaking is exhibited at **pages 130 and 131**, respectively.

17. The Applicant respectfully seeks the assistance of this Honourable Court in making a Stop Notice in the interim over all the ordinary shares in the Company which are held by the Guarantor in its name or otherwise to protect its entitlement to have such shares transferred to it pursuant to the Deed of Guarantee and Undertaking.

AFFIRMED at Suite 506, 5/F, AIA Central, 1 Connaught Road, Hong Kong
on the 23 day of February 2023
Before me,

Shenggang Zhu
SHENGGANG ZHU

Arun Kumar Nigam
NOTARY PUBLIC

This Affirmation was filed by Conyers Dill & Pearman LLP, Attorneys-at-Law for the Applicant, whose address for service and correspondence is SIX, Cricket Square, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands (Attn: Erik Bodden and Jordan McElean/#837003).

Arun Kumar Nigam
Notary Public
Hong Kong SAR

