

United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

Form 8-K

Current Report
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

January 28, 2019
Date of Report (Date of earliest event reported)

CM Seven Star Acquisition Corporation
(Exact Name of Registrant as Specified in its Charter)

Cayman Islands

(State or other jurisdiction of incorporation)

333-220510

(Commission File Number)

N/A

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

**Suite 1306, 13/F, AIA Central, 1 Connaught
Road, Central, Hong Kong**

(Address of Principal Executive Offices)

N/A

(Zip Code)

Registrant's telephone number, including area code: **+852 3796 2750**

N/A

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

IMPORTANT NOTICES

Important Notice Regarding Forward-Looking Statements

This Current Report on Form 8-K contains certain “forward-looking statements” within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, both as amended. Statements that are not historical facts, including statements about the pending transaction between CM Seven Star Acquisition Corporation (“CM Seven Star”), Renren Inc. (“Renren”) and Kaixin Auto Group (“Kaixin”) and the transactions contemplated thereby, and the parties’ perspectives and expectations, are forward-looking statements. Such statements include, but are not limited to, statements regarding the proposed transaction, including the anticipated initial enterprise value and post-closing equity value, the benefits of the proposed transaction, integration plans, expected synergies and revenue opportunities, anticipated future financial and operating performance and results, including estimates for growth, the expected management and governance of the combined company, and the expected timing of the transactions. The words “expect,” “believe,” “estimate,” “intend,” “plan” and similar expressions indicate forward-looking statements. These forward-looking statements are not guarantees of future performance and are subject to various risks and uncertainties, assumptions (including assumptions about general economic, market, industry and operational factors), known or unknown, which could cause the actual results to vary materially from those indicated or anticipated.

Such risks and uncertainties include, but are not limited to: (i) risks related to the expected timing and likelihood of completion of the pending transaction, including the risk that the transaction may not close due to one or more closing conditions to the transaction not being satisfied or waived, such as regulatory approvals not being obtained, on a timely basis or otherwise, or that a governmental entity prohibited, delayed or refused to grant approval for the consummation of the transaction or required certain conditions, limitations or restrictions in connection with such approvals; (ii) risks related to the ability of CM Seven Star and Kaixin to successfully integrate the businesses; (iii) the occurrence of any event, change or other circumstances that could give rise to the termination of the applicable transaction agreements; (iv) the risk that there may be a material adverse change with respect to the financial position, performance, operations or prospects of Kaixin or CM Seven Star; (v) risks related to disruption of management time from ongoing business operations due to the proposed transaction; (vi) the risk that any announcements relating to the proposed transaction could have adverse effects on the market price of CM Seven Star’s ordinary shares; (vii) the risk that the proposed transaction and its announcement could have an adverse effect on the ability of Kaixin and CM Seven Star to retain customers and retain and hire key personnel and maintain relationships with their suppliers and customers and on their operating results and businesses generally; (viii) the risk that the combined company may be unable to achieve cost-cutting synergies or it may take longer than expected to achieve those synergies; and (ix) risks associated with the financing of the proposed transaction. A further list and description of risks and uncertainties can be found in CM Seven Star’s Annual Report on Form 10-K for the fiscal year ending December 31, 2017 filed with the SEC, in CM Seven Star’s quarterly reports on Form 10-Q filed with the SEC subsequent thereto and in the proxy statement on Schedule 14A that will be filed with the SEC by CM Seven Star in connection with the proposed transaction, and other documents that the parties may file or furnish with the SEC, which you are encouraged to read. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. Accordingly, you are cautioned not to place undue reliance on these forward-looking statements. Forward-looking statements relate only to the date they were made, and CM Seven Star, Renren, Kaixin, and their subsidiaries undertake no obligation to update forward-looking statements to reflect events or circumstances after the date they were made except as required by law or applicable regulation.

Additional Information and Where to Find It

In connection with the transaction described herein, CM Seven Star has filed and will file relevant materials with the Securities and Exchange Commission (the “SEC”), including a proxy statement on Schedule 14A. Promptly after filing its definitive proxy statement with the SEC, CM Seven Star will mail the definitive proxy statement and a proxy card to each stockholder entitled to vote at the special meeting relating to the transaction. INVESTORS AND SECURITY HOLDERS OF CM SEVEN STAR ARE URGED TO READ THESE MATERIALS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND ANY OTHER RELEVANT DOCUMENTS IN CONNECTION WITH THE TRANSACTION THAT CM SEVEN STAR WILL FILE WITH THE SEC WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT CM SEVEN STAR, KAIXIN AND THE TRANSACTION. The preliminary proxy statement, the definitive proxy statement and other relevant materials in connection with the transaction (when they become available), and any other documents filed by CM Seven Star with the SEC, may be obtained free of charge at the SEC’s website (www.sec.gov) or by writing to CM Seven Star at Suite 1306, 13/F, AIA Central, 1 Connaught Road, Central, Hong Kong.

Participants in Solicitation

CM Seven Star, Kaixin, Renren, and their respective directors, executive officers and employees and other persons may be deemed to be participants in the solicitation of proxies from the holders of CM Seven Star ordinary shares in respect of the proposed transaction. Information about CM Seven Star’s directors and executive officers and their ownership of CM Seven Star’s ordinary shares is set forth in CM Seven Star’s Annual Report on Form 10-K for the year ended December 31, 2017 filed with the SEC, as modified or supplemented by any Form 3 or Form 4 filed with the SEC since the date of such filing. Other information regarding the interests of the participants in the proxy solicitation will be included in the proxy statement pertaining to the proposed transaction when it becomes available. These documents can be obtained free of charge from the sources indicated above.

Item 1.01 Entry into a Material Definitive Agreement.

On January 28, 2019, CM Seven Star Acquisition Corporation (“CM Seven Star” or the “Company”) entered into a convertible loan agreement with Kaixin Auto Group (“Kaixin”) and Kunlun Tech Limited (“Kunlun”), pursuant to which Kunlun agreed to fund, subject to customary closing conditions, a \$23 million convertible loan to Kaixin (the “Loan”), with interest payable at the rate stipulated by the People’s Bank of China. The first tranche of the Loan, in the amount of \$20 million, was funded on January 28, 2019, and the remaining \$3 million is to be funded on or before January 31, 2020.

As previously announced, on November 2, 2018, CM Seven Star entered into a definitive share exchange agreement with Kaixin and Renren Inc. to acquire 100% of the issued and outstanding shares of Kaixin. Upon completion of this proposed business combination, all amounts outstanding under the Loan will automatically be converted into CM Seven Star units (each unit having the same underlying securities as were issued in CM Seven Star’s initial public offering) at a conversion price of \$10.00 per unit. The amount payable under the second tranche of the Loan will, if funded after the completion of the proposed business combination, automatically convert into CM Seven Star units at a conversion price of \$10.00 per unit. In the event that the business combination does not close, Kaixin will be responsible for repaying the note.

On January 29, 2019, CM Seven Star entered into a subscription agreement (the “Subscription Agreement”) with one accredited investor to sell 750,000 of its units (each unit having the same underlying securities as were issued in CM Seven Star’s initial public offering) at a price of \$10.00 per unit. The closing would take place on the closing date of the business combination. The closing is subject to customary conditions, including that the business combination must close prior to or concurrently with the closing of the sale of the units. The investor received certain demand and piggyback registration rights pursuant to the terms of the Subscription Agreement.

Item 2.03 Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

The disclosure in Item 1.01 is incorporated by reference into this item.

Item 9.01. Financial Statements and Exhibits.

<u>Exhibit No.</u>	<u>Description</u>
<u>10.1</u>	<u>Convertible Loan Agreement dated January 28, 2019</u>
<u>10.2</u>	<u>Subscription Agreement dated January 29, 2019</u>

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 hereunto duly authorized.

Dated: February 1, 2019

CM SEVEN STAR ACQUISITION CORPORATION

By: /s/ Sing Wang
Name: Sing Wang
Title: Chief Executive Officer

EXECUTION VERSION

THIS CONVERTIBLE LOAN AGREEMENT (the “Agreement”) is made on January 28, 2019 **BY AND BETWEEN**:

- (1) **Kaixin Auto Group** an exempted company organized under the law of the Cayman Islands (“**Kaixin**”);
- (2) **CM Seven Star Acquisition Corp.**, an exempted company organized under the law of the Cayman Islands (“**CM Seven Star**”); and
- (3) **Kunlun Tech Limited** a Hong Kong Limited Company (the “**Investor**”).

Kaixin, CM Seven Star and the Investor are referred to herein collectively as the “**Parties**” and individually as a “**Party**.”

1. Definitions

“**Aggregate Principal Amount**” means US\$23,000,000 (Twenty-Three Million United States Dollars).

“**Bank Account**” has the meaning ascribed to it in Clause 2 hereof.

“**Business Combination**” means the transactions contemplated under the Share Exchange Agreement, dated as of November 2, 2018, by and among CM Seven Star, Kaixin, and Renren Inc.

“**Business Day**” means any day other than a Saturday, Sunday or another day on which commercial banks in the PRC, Hong Kong or New York, New York are required or authorized by law or executive order to close.

“**CM Seven Star Share**” means an ordinary share, par value US\$0.0001 per share, of CM Seven Star.

“**First CM Seven Star Unit Amount**” means 2,000,000 CM Seven Star Units.

“**First Principal Amount**” means US\$20,000,000.

“**CM Seven Star Unit**” means one unit of CM Seven Star, comprised of one CM Seven Star Share, one half of one CM Seven Star Warrant and one right to receive one-tenth (1/10) of one CM Seven Star Ordinary Share upon the consummation of the Business Combination.

“**CM Seven Star Warrant**” means a redeemable warrant to purchase one CM Seven Star Share.

“**Convertible Loan**” has the meaning ascribed to it in Clause 3 hereof.

“**Event of Default**” has the meaning ascribed to it in Clause 3(d) hereof.

“**Governmental Entity**” means any court, administrative agency or commission or other governmental authority or instrumentality, whether federal, state, local or foreign, or any applicable industry self-regulatory organization.

“**PRC**” means the People’s Republic of China, for purposes of this Agreement only, not including Hong Kong, Macau and Taiwan.

“**Prospectus**” has the meaning ascribed to it in clause 9(h) hereof.

“**Second CM Seven Star Unit Amount**” means 300,000 CM Seven Star Units.

“**Second Principal Amount**” means US\$3,000,000.

“**Securities Act**” means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

“**Underwriters**” has the meaning ascribed to it in clause 9(h) hereof.

2. **Convertible Loan and Closing**

(a) On the terms and subject to the conditions set forth herein, the Investor will advance to Kaixin the First Principal Amount as of January 31, 2019, or such other date as agreed by the Parties in writing (the date on which the closing (the “**First Closing**”) with respect to the First Principal Amount actually occurs, the “**First Closing Date**”) and the Second Principal Amount as of January 31, 2020, or such other date as agreed by the Parties in writing (the date on which the closing (the “**Second Closing**,” and together with the First Closing, the “**Closings**”) with respect to the Second Principal Amount actually occurs, the “**Second Closing Date**,” together with the First Closing Date, each, a “**Closing Date**”), which together total the Aggregate Principal Amount.

(b) Subject to the satisfaction (or, where permissible, waiver) of the conditions to the closing set forth in Clause 2(c) each Closing shall take place at the offices of Simpson Thacher & Bartlett, located at 35/F ICBC Tower, 3 Garden Road, Central, Hong Kong, or such other location as agreed by the Parties in writing. At the First Closing, the Investor will grant the First Principal Amount to Kaixin pursuant to Clause 3, and the rights of Investor set forth in Clauses 3 and 4 with respect to the First CM Seven Star Unit Amount shall become effective. At the Second Closing, the Investor will grant the Second Principal Amount to Kaixin pursuant to Clause 3, and the rights of Investor set forth in Clauses 3 and 4 with respect to the Second CM Seven Star Unit Amount shall become effective. If the First Closing has not occurred by May 31, 2019, or such other date otherwise agreed by Kaixin and Investor (the “**Long Stop Date**”), the Parties shall have no obligations whatsoever under this Agreement, provided that the Long Stop Date may be extended to June 30, 2019 if mutually agreed by Kaixin and the Investor prior to May 31, 2019.

(c) Closing Conditions.

(i) The obligation of the Investor to consummate each Closing is subject to the fulfillment prior to or contemporaneously with such Closing of each of the following conditions:

(A) the representations and warranties of each of Kaixin and CM Seven Star set forth in this Agreement shall be true and correct in all material respects as of the date hereof and as of the applicable Closing Date (except to the extent such representations and warranties are made as of a specified date, in which case such representations and warranties shall be true and correct in all material respects as of such date);

(B) each of Kaixin and CM Seven Star shall have performed in all material respects all of its respective obligations required to be performed by it at or prior to or contemporaneously with such Closing under this Agreement;

(C) each of Kaixin's and CM Seven Star's boards of directors shall have approved this Agreement and the transactions contemplated hereunder; and

(D) no event, circumstance or change having occurred that, individually or in the aggregate with one or more other events, circumstances or changes, have had or reasonably could be expected to have a material adverse effect on CM Seven Star, Kaixin or their respective affiliates.

(ii) The obligation of Kaixin to consummate each Closing is subject to the fulfillment prior to or contemporaneously with such Closing of each of the following conditions:

(A) the representations and warranties of each of Investor and CM Seven Star set forth in this Agreement shall be true and correct in all material respects as of the date hereof and as of the applicable Closing Date (except to the extent such representations and warranties are made as of a specified date, in which case such representations and warranties shall be true and correct in all material respects as of such date);

(B) each of Investor and CM Seven Star shall have performed in all material respects all obligations required to be performed by it at or prior to or contemporaneously with such Closing under this Agreement;

(C) each of Kaixin's and CM Seven Star's boards of directors shall have approved this Agreement and the transactions contemplated hereunder; and

(D) no event, circumstance or change having occurred that, individually or in the aggregate with one or more other events, circumstances or changes, have had or reasonably could be expected to have a material adverse effect on CM Seven Star, Kaixin or their respective affiliates.

(iii) The obligation of CM Seven Star to consummate each Closing is subject to the fulfillment prior to such Closing of each of the following conditions:

(A) the representations and warranties of the Investor and Kaixin set forth in this Agreement shall be true and correct in all material respects as of the date hereof and as of such Closing Date (except to the extent such representations and warranties are made as of a specified date, in which case such representations and warranties shall be true and correct in all material respects as of such date);

(B) each of the Investor and Kaixin shall have performed in all material respects all obligations required to be performed by it at or prior to or contemporaneously with such Closing under this Agreement;

(C) each of Kaixin's and CM Seven Star's boards of directors shall have approved this Agreement and the transactions contemplated hereunder; and

(D) no event, circumstance or change having occurred that, individually or in the aggregate with one or more other events, circumstances or changes, have had or reasonably could be expected to have a material adverse effect on CM Seven Star, Kaixin or their respective affiliates.

3. **Convertible Loan**

(a) The Investor hereby agrees to lend to Kaixin the Aggregate Principal Amount (the "**Convertible Loan**") and on the applicable Closing Date will transfer the First Principal Amount and the Second Principal Amount, as applicable, to the following bank account of Kaixin (the "**Bank Account**"):

Beneficiary Name: Kaixin Auto Group
Beneficiary Account number: 8003098327
Bank Routing Number (domestic wires): 322070381
Bank Swift Code (international wires): EWBKUS66XXX
Bank Name: East West Bank
Bank Address: 135 N. Los Robles Ave, Suite 600, Pasadena, CA 91101

Kaixin shall issue to the Investor a signed acknowledgment of receipt of the relevant amount within five (5) Business Days of the applicable Closing Date.

(b) The term of any portion of the Convertible Loan shall be from the applicable Closing Date to the earlier of (i) in the event that the Business Combination has not been consummated prior thereto, May 31, 2019 or (ii) the termination of the Business Combination (the “**Maturity Date**”). Upon the Maturity Date, Kaixin shall immediately repay the entire outstanding Principal Amount of the Convertible Loan plus any unpaid Interest (if any) accrued. The term of the Convertible Loan may be extended by the Investor by delivering a written notice to Kaixin before the Maturity Date (such date, the “**Extended Maturity Date**”) and shall be automatically extended to one business day following any extended Long Stop Date pursuant to Clause 2 hereof. For the avoidance of doubt, no amounts shall be payable by Kaixin in respect of any part of the Aggregate Principal Amount that has not been paid by Investor to Kaixin prior to the Maturity Date or Extended Maturity Date, as applicable. Further, in the event that the Maturity Date occurs before the Second Principal Amount is transferred to Kaixin, Investor shall be under no obligation to transfer such amount to Kaixin, and Kaixin shall be under no obligation to pay Interest, default interest, the Second CM Seven Star Unit Amount nor any other consideration in respect thereof.

The Convertible Loan shall bear an annual interest rate on the applicable portion of the Aggregate Principal Amount outstanding in accordance with the loan interest rate stipulated by the Peoples Bank of China for the corresponding period accruing from applicable Closing Date (the “**Interest**”); provided that, in the event the conversion is consummated before the Maturity Date or the Extended Maturity Date, as the case may be, any accrued interest will be waived and will not be payable.

In the event that Kaixin fails to repay outstanding amounts under the Convertible Loan on the Maturity Date or the Extended Maturity Date, as applicable, the applicable portion of the Aggregate Principal Amount outstanding under the Convertible Loan shall bear default interest, in addition to the Interest, calculated after the Maturity Date or the Extended Maturity Date, at the simple interest rate of twenty percent (20%) per annum on any outstanding amounts, up to the date the Principal Amount of the Convertible Loan and all accrued but unpaid Interest are fully repaid.

(c) Subject to sub-paragraph (d) below and excluding the conversion of the Convertible Loan (or any portion thereof) into CM Seven Star Units pursuant to Clause 4 hereof, Kaixin shall not prepay any part of the Convertible Loan without the prior written consent of the Investor.

(d) If any one or more of the events of default set out in Schedule A hereto (each of them, an “**Event of Default**”) shall occur before either of the Maturity Date or the conversion of the First Principal Amount pursuant to Clause 4 hereof, the Investor may, by written notice to Kaixin:

- (i) declare any outstanding portion of the Aggregate Principal Amount and any Interest to be immediately due and payable without further demand, notice or other legal formality of any kind; and/or
- (ii) take such action as the Investor reasonably deems appropriate to enforce the Investor’s rights, powers and remedies under this Agreement.

Each of the other parties hereto hereby agrees that CM Seven Star shall have no obligation to repay any amount due under the Convertible Loan, except pursuant to Section 4(a) hereof. For the avoidance of doubt, the Investor may only look to Kaixin for repayment of the Convertible Loan, except as specified in Section 4 of this Agreement.

4. Conversion

Each of the Parties agrees that, in the absence of any Event of Default (or following the waiver of any Event of Default by Investor) and prior to the Maturity Date, the First Principal Amount will automatically convert upon the consummation of Business Combination into the First CM Seven Star Unit Amount. Within five (5) Business Days of such consummation, CM Seven Star shall issue to the Investor the First CM Seven Star Unit Amount, as adjusted for any share split, share dividend, share combination or consolidation, recapitalization, reclassification or other similar event in relation to the share capital of CM Seven Star.

Each of the Parties agrees that, in the absence of any Event of Default (or following the waiver of any Event of Default by Investor), if the Second Principal Amount is funded to Kaixin following the completion of the Business Combination, the Second Principal Amount will automatically convert into the Second CM Seven Star Unit Amount. Within five (5) Business Days of the deposit of the Second Principal Amount with Kaixin, CM Seven Star shall issue to the Investor the Second CM Seven Star Unit Amount, as adjusted for any share split, share dividend, share combination or consolidation, recapitalization, reclassification or other similar event in relation to the share capital of CM Seven Star.

For the avoidance of doubt, after any conversion pursuant to this Clause 4, all right and title to the amount deposited with Kaixin under the Convertible Loan shall become that of Kaixin as consideration for the CM Seven Star Units.

Upon the completion of the Business Combination, CM Seven Star shall enter into a customary Registration Rights Agreement (the “**Registration Rights Agreement**”) with the Investor, pursuant to which CM Seven Star will grant to Investor the right, subject to the terms and conditions of such Registration Rights Agreement, to cause CM Seven Star to prepare and file with the Commission a registration statement with respect to the CM Seven Star Shares underlying the CM Seven Star Units and use its reasonable best efforts to cause such registration statement to become effective. CM Seven Star further confirms that, in connection with a demand registration pursuant to such Registration Rights Agreement, all reasonable fees, costs and expenses of and incidental to such registration, inclusion and public offering in connection therewith shall be borne by CM Seven Star, other than the applicable underwriting discounts and commissions and transfer taxes.

5. Covenants

(a) Approvals and other actions.

(i) Following the date of this Agreement and prior to the First Closing Date, Kaixin will use commercially reasonable efforts to obtain, with respect to this Agreement and the transactions contemplated hereby, the approval of its board of directors (if such approval has not already been obtained prior to the date of this Agreement).

(ii) Following the date of this Agreement and prior to the First Closing Date, CM Seven Star agrees will use commercially reasonable efforts to obtain, with respect to this Agreement and the transactions contemplated hereby, the approval of its board of directors (if such approval has not already been obtained prior to the date of this Agreement).

(iii) Each Party agrees, upon reasonable request from another Party, to furnish the other Party with all information concerning itself, its subsidiaries, affiliates, directors, officers, partners, and shareholders and such other matters as may be reasonably necessary or advisable in connection with any statement, filing, notice, or application made by or on behalf of such other Party or any of its subsidiaries to any Governmental Entity in connection with this Agreement. Notwithstanding anything herein to the contrary, none of the Parties shall be required to furnish the other Party with any (1) sensitive personal biographical or personal financial information of any of the directors, officers, employees, managers or partners of the Investor or any of its affiliates, (2) proprietary and non-public information related to the organizational terms of, or investors in, it or its affiliates, or (3) any information that it reasonably deems private or confidential, in each case, unless required for the use by another party for compliance with applicable laws or regulations.

(b) Covenants of Kaixin

(i) Kaixin shall as soon as reasonably practicable notify the Investor of the occurrence of any change, cancellation, suspension or termination of Business Combination;

(ii) Kaixin shall as soon as reasonably practicable notify the Investor of the occurrence of any material litigation, arbitration or administrative proceedings relating to the equity interest, assets, or business of Kaixin;

(iii) Kaixin shall abide by the provisions of this Agreement and not unreasonably undertake any action/omission that would reasonably be expected to adversely affect the effectiveness and enforceability of this Agreement;

(iv) Kaixin shall not, prior to the completion of the Business Combination, without the prior written consent of the Investor, enter into any merger or consolidation of Kaixin or its subsidiaries with any person, or its acquisition of or investment in any person, other than, for the avoidance of doubt, the Business Combination; and

(v) in the event that any governmental registration, filing, approval, consent, or order is necessary for the Investor to be qualified or authorized to acquire the CM Seven Star Units, Kaixin hereby undertakes, to take all commercially reasonable actions to assist the Investor in obtaining such governmental registration, filing, approval, consent, or order in a timely manner.

(c) Each Party to this Agreement will hold, and will cause its respective subsidiaries and their directors, officers, employees, agents, consultants, and advisors to hold, in strict confidence, unless disclosure to any Governmental Entity is necessary in connection with any necessary regulatory approval or unless compelled to disclose by judicial or administrative process or, in the written opinion of its counsel, by other requirement of law or the applicable requirements of any Governmental Entity, all nonpublic records, books, contracts, instruments, computer data and other data and information (collectively, “**Information**”) concerning the other Parties hereto furnished to it by such other Party/Parties or their representatives pursuant to this Agreement (except to the extent that such information can be shown to have been (1) previously known by such Party on a non-confidential basis, (2) in the public domain through no fault of such Party, or (3) later lawfully acquired from other sources by the Party to which it was furnished), and no Party hereto shall release or disclose such Information to any other person, except its auditors, attorneys, financial advisors, other consultants, and advisors. If a Party is required to disclose any Information to a Governmental Entity in accordance with this Clause 5(b), the disclosing Party shall notify the other Parties prior to making any such disclosure by providing the other Party with the text of the disclosure requirement and draft disclosure at least 24 hours prior to making any such disclosure, and will narrow the draft disclosure to the extent the other Party reasonably requests.

6. Kaixin Representations

Kaixin hereby represents and warrants to the Investor that the following representations and warranties are true and correct as of the date of this Agreement and as of each Closing Date:

(a) Kaixin is a company duly organized, validly existing and in good standing under the laws of the Cayman Islands, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by Kaixin of this Agreement is within the power of Kaixin and, other than with respect to the actions to be taken if and when equity is to be issued to the Investor, has been duly authorized by all necessary actions on the part of Kaixin. This Agreement constitutes a legal, valid and binding obligation of Kaixin, enforceable against Kaixin in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity. To the knowledge of Kaixin, it is not in violation of (i) its current memorandum and articles of association, (ii) any material statute, rule or regulation applicable to Kaixin or (iii) any material indenture or contract to which Kaixin is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on Kaixin. The only corporate, governmental or other approvals required for the entry by Kaixin into this Agreement and the consummation by Kaixin of the transactions contemplated hereby are the approval of Kaixin’s board of directors.

(c) The performance and consummation of the transactions contemplated by this Agreement do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to Kaixin; (ii) result in the acceleration of any material indenture or contract to which Kaixin is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of Kaixin or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to Kaixin, its business or operations.

(d) No consents or approvals are required in connection with the performance of this Agreement by Kaixin, other than: (i) Kaixin's corporate approvals; and (ii) any qualifications or filings under applicable securities laws, if any.

(e) There is no action or proceeding pending or threatened against Kaixin and its subsidiaries before any court or administrative agency which is likely to result in any material adverse change in the financial condition of Kaixin or the business or financial condition of any of the Kaixin's subsidiaries.

7. CM Seven Star Representations

CM Seven Star hereby represents and warrants to the Investor that the following representations and warranties are true and correct as of the date of this Agreement and as of each Closing Date:

(a) CM Seven Star is a company duly organized, validly existing and in good standing under the laws of the Cayman Islands, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The execution, delivery and performance by CM Seven Star of this Agreement is within the power of CM Seven Star and, other than with respect to the actions to be taken if and when equity is to be issued to the Investor, has been duly authorized by all necessary actions on the part of CM Seven Star other than obtaining the approval of CM Seven Star's Board of Directors. This Agreement constitutes a legal, valid and binding obligation of CM Seven Star, enforceable against CM Seven Star in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity. To the knowledge of CM Seven Star, it is not in violation of (i) its current memorandum and articles of association, (ii) any material statute, rule or regulation applicable to CM Seven Star or (iii) any material indenture or contract to which CM Seven Star is a party or by which it is bound, where, in each case, such violation or default, individually, or together with all such violations or defaults, could reasonably be expected to have a material adverse effect on CM Seven Star. The only corporate, governmental or other approvals required for the entry by CM Seven Star into this Agreement and the consummation by CM Seven Star of the transactions contemplated hereby are the approval of CM Seven Star's board of directors.

(c) The performance and consummation of the transactions contemplated by this Agreement do not and will not: (i) violate any material judgment, statute, rule or regulation applicable to CM Seven Star; (ii) result in the acceleration of any material indenture or contract to which CM Seven Star is a party or by which it is bound; or (iii) result in the creation or imposition of any lien upon any property, asset or revenue of CM Seven Star or the suspension, forfeiture, or nonrenewal of any material permit, license or authorization applicable to Kaixin, its business or operations.

(d) No consents or approvals are required in connection with the performance of this Agreement by CM Seven Star, other than: (i) CM Seven Star's corporate approvals; (ii) any qualifications or filings under applicable securities laws, if any; and (iii) necessary corporate approvals for the authorization of CM Seven Star Units issuable pursuant to Clause 4 hereof.

(e) There is no action or proceeding pending or threatened against CM Seven Star and its subsidiaries before any court or administrative agency which is likely to result in any material adverse change in the financial condition of Kaixin or the business or financial condition of any of the Kaixin's subsidiaries.

8. Investor Representations

The Investor hereby represents and warrants to each of Kaixin and CM Seven Star that the following representations and warranties are true and correct as of the date of this Agreement and as of each Closing Date:

(a) The Investor is a corporation duly organized, validly existing and in good standing under the laws of the Hong Kong Special Administrative Region of the People's Republic of China, and has the power and authority to own, lease and operate its properties and carry on its business as now conducted.

(b) The Investor has full legal capacity, power and authority to execute and deliver this Agreement and to perform its obligations hereunder. This Agreement constitutes valid and binding obligation of the Investor, enforceable in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity. The only corporate, governmental or other approvals required for the entry by the Investor into this Agreement and the consummation by Investor of the transactions contemplated hereby are the internal approval of the Investor.

(c) The Investor is:

(i) an accredited investor as such term is defined in Rule 501 of Regulation D under the Securities Act. The Investor has been advised that this Agreement and the underlying securities have not been registered under the Securities Act, or any state securities laws and, therefore, cannot be resold unless they are registered under the Securities Act and applicable state securities laws or unless an exemption from such registration requirements is available. The securities which may be acquired by the Investor hereunder are for its own account for investment, not as a nominee or agent, and not with a view to, or for resale in connection with, the distribution thereof, and the Investor has no present intention of selling, granting any participation in, or otherwise distributing the same. The Investor has such knowledge and experience in financial and business matters that the Investor is capable of evaluating the merits and risks of such investment, and is able to bear the economic risk of such investment for an indefinite period of time; and/or

(ii) not a "U.S. Person" and is acquiring the securities in an "offshore transaction" (each as defined in Rule 902 of Regulation S). The Investor is not acquiring the Subscription Securities as a result of any directed selling efforts (within the meaning of Regulation S under the Securities Act) for the purpose of, or that could reasonably be expected to have the effect of, conditioning the market in the United States for any of the securities being offered in reliance on Regulation S.

(d) The Investor believes it has received all the information it considers necessary or appropriate for deciding whether to enter into this Agreement. The Investor further represents that it has had an opportunity to ask questions and receive answers from the each of Kaixin and CM Seven Star regarding this Agreement and the transactions contemplated hereunder as well as the business, properties, prospects and financial condition of each of Kaixin and CM Seven Star. The foregoing, however, does not limit or modify the representations and warranties of Kaixin and CM Seven Star in Clauses 6 and 7 of this Agreement.

(e) Investor understands that the CM Seven Star Shares that may become issuable pursuant to this Agreement have not been and will not be registered under the Securities Act, by reason of their issuance and allotment in a transaction exempt from the registration requirements of the Securities Act, and that such CM Seven Star Shares, if issued to Investor, will be required to continue to be held by Investor unless a subsequent disposition thereof is registered under the Securities Act or is exempt from such registration and in each case in accordance with any applicable securities laws of any state of the United States.

9. Miscellaneous

(a) This Agreement will expire and terminate (without relieving Kaixin, CM Seven Star or the Investor of any obligations arising from a prior breach of or non-compliance with this Agreement) upon the issuance of the entirety of the First CM Seven Star Unit Amount and the Second CM Seven Star Unit Amount, to the Investor pursuant to Clause 4 hereof.

(b) Each of CM Seven Star, Kaixin and Investor Agrees, that the event of any material breach or violation of any covenant or agreement contained herein (a "Breach"), by it, it will respectively severally indemnify the other parties hereto and its respective affiliates, limited partners, members, stockholders, employees, agents, representatives, assignees and transferees (each, an "Indemnitee") for any and all losses, liabilities, damages, liens, claims, obligations, penalties, settlements, deficiencies, costs and expenses, including without limitation reasonable advisor's fees and other reasonable expenses of investigation, defense and resolution of any Breach paid, suffered, sustained or incurred by the Indemnitees resulting from, or arising out of, or due to, directly or indirectly, any Breach. The parties agree that their respective obligations under this clause 9(b) will be several and in the event of a loss resulting from the Breach of more than one party, each party's indemnification obligations hereunder shall be limited to the percentage of its respective fault.

(c) Any provision of this Agreement may be amended, waived or modified only upon the written consent of each of the Parties.

(d) All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed given if sent by email and thereafter delivered personally or mailed by internationally recognized overnight courier, postage prepaid, return receipt requested, to the following addresses set forth below or such other address as Kaixin, CM Seven Star and the Investor shall provide to each other Parties in writing:

Kaixin:

Kaixin Auto Group

5/F, North Wing, 18 Jiuxianqiao Middle Road, Chaoyang District,
Beijing 100016, People's Republic of China, attention: Thomas Jintao Ren,
jintao.ren@renren-inc.com

CM Seven Star:

CM Seven Star Acquisition Corporation

Suite 1306, 13/F, AIA Central, 1 Connaught Road, Central, Hong Kong
Attention: Sing Wang, Anthony Ho and Adrian Cheung
Tel: +852 3796 2750

The Investor:

Kunlun Tech Limited

Room 1903, 19/F, Lee Garden One, 33 Hysan Avenue, Causeway Bay, Hong Kong
Attention: Xiaoling Qian
Tel: +86 18701691083

(e) The Investor is not entitled, solely by virtue of entry into this agreement, to vote or receive dividends or be deemed the holder of CM Seven Star Units for any purpose, nor will anything contained herein be construed to confer on the Investor, as such, any of the rights of a shareholder of CM Seven Star or any right to vote for the election of directors or upon any matter submitted to shareholders at any meeting thereof, or to give or withhold consent to any corporate action or to receive notice of meetings, or to receive subscription rights or otherwise until shares have been issued upon the terms described herein.

(f) Neither this Agreement nor the rights contained herein may be assigned, by operation of law or otherwise, by any Party without the prior written consent of each of the others.

(g) In the event any one or more of the provisions of this Agreement is for any reason held to be invalid, illegal or unenforceable, in whole or in part or in any respect, or in the event that any one or more of the provisions of this Agreement operate or would prospectively operate to invalidate this Agreement, then and in any such event, such provision(s) only will be deemed null and void and will not affect any other provision of this Agreement and the remaining provisions of this Agreement will remain operative and in full force and effect and will not be affected, prejudiced, or disturbed thereby.

(h) All rights and obligations hereunder will be governed by the laws of the State of New York, without regard to the conflicts of law provisions of such jurisdiction.

(i) Waiver. Reference is made to CM Seven Star's final prospectus, dated October 25, 2017 (the "**Prospectus**").

The other parties hereto have read the Prospectus and understand that CM Seven Star has established the trust account described in the Prospectus, initially in an amount of \$180.0 million for the benefit of the public stockholders and the underwriters of CM Seven Star's initial public offering (the "**Underwriters**") and that, except for certain exceptions described in the Prospectus, CM Seven Star may disburse monies from the trust account only: (i) to the public stockholders in the event of the conversion of their shares or the liquidation of CM Seven Star; or (ii) to CM Seven Star and the Underwriters after consummation of a business combination, as described in the Prospectus.

For and in consideration of CM Seven Star agreeing to enter into this Agreement, each of the other parties hereto hereby agrees that it does not have any right, title, interest or claim of any kind in or to any monies in the trust account (the "**Claim**") and hereby waives any Claim it may have in the future as a result of, or arising out of, any negotiations, contracts or agreements with CM Seven Star and will not seek recourse against the trust account for any reason whatsoever.

(Signature page follows)

IN WITNESS WHEREOF, the undersigned have caused this Convertible Loan Agreement to be duly executed and delivered.

KAIXIN AUTO GROUP

By: /s/ Joseph Chen

Name: Joseph Chen

Title: Chairman

[Signature Page to Convertible Loan Agreement]

CM SEVEN STAR ACQUISITION CORPORATION

By: /s/ Sing Wang

Name: Sing Wang

Title: Director

[Signature Page to Convertible Loan Agreement]

KUNLUN TECH LIMITED

By: /s/ Liwei Wang

Name: Liwei Wang

Title: Director

SCHEDULE A

EVENTS OF DEFAULT

Each of the following events shall be an Event of Default:

- (a) Kaixin fails to pay any sum payable under this Agreement when due or otherwise in accordance with the provisions hereof;
- (b) CM Seven Star fails to issue and allot any portion of the First CM Seven Star Unit Amount and the Second CM Seven Star Unit Amount, respectively, under this Agreement when due or otherwise in accordance with the provisions hereof;
- (c) Kaixin or CM Seven Star fails to perform or observe or comply with any of its obligations or covenants under this Agreement in any material respect such that there is a material adverse impact on its ability to perform its obligations under this Agreement;
- (d) any representation or warranty made or deemed to be made by Kaixin in this Agreement proves to have been incorrect or misleading in any material respect;
- (e) Kaixin is in default under any material indebtedness and such default is not remedied within fifteen (15) Business Days from the day such default occurred such that there is a material adverse impact on Kaixin's ability to perform its obligations under this Agreement;
- (f) a creditor takes possession of all or substantially all of the assets of Kaixin, as the case may be, or any execution or other legal process is enforced against all or substantially all of the assets of Kaixin and such possession or enforcement is not discharged within fifteen (15) Business Days;
- (g) a petition is presented or a proceeding is commenced or an order is made or an effective resolution is passed for the winding-up, insolvency, reorganization, reconstruction, dissolution or bankruptcy of Kaixin or for the appointment of a liquidator, receiver, administrator, trustee or similar officer of Kaixin which is not stayed or discharged within fifteen (15) Business Days;
- (h) any litigation, arbitration or administrative proceeding is commenced or threatened against any of Kaixin or its subsidiaries such that there is a material adverse impact on the ability of Kaixin to perform its obligations under this Agreement;
- (i) Kaixin stops or suspends payment to its creditors generally or is unable to or admit its inability to pay their debts as they fall due or are declared or become bankrupt or insolvent; or
- (j) Kaixin transfers or distributes as a dividend any of the proceeds of the Convertible Loan to any third party without the prior written consent of the Investor.

SUBSCRIPTION AGREEMENT

CM SEVEN STAR ACQUISITION CORPORATION

SUBSCRIPTION AGREEMENT (this "Agreement") between CM Seven Star Acquisition Corporation, a Cayman Islands corporation (the "Company"), and the undersigned investor (the "Subscriber").

WHEREAS, the Company is offering (the "Offering") Units in a private placement for a purchase price of US\$10.00 per Unit;

WHEREAS, on November 2, 2018, the Company entered into a share exchange agreement with Renren and Kaixin pursuant to which the Company would acquire all of the outstanding equity interests of Kaixin (the "Business Combination"); and

WHEREAS, the Subscribers are entitled to registration rights on the terms set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the premises and the mutual covenants hereinafter set forth, the parties hereto do hereby agree as follows:

I. DEFINITIONS

1.1 As used in this Agreement, the following terms have the following meanings:

"Affiliate" means, with respect to any person, any other person directly or indirectly controlling, controlled by, or under common control with such person. For purposes of this definition, "control" when used with respect to any person means the power to direct the management and policies of such person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise, and the terms "controlling" and "controlled" have correlative meanings.

"Closing Date" means the date of closing of the Business Combination.

"GAAP" means generally accepted accounting principles in the United States

"Kaixin" means Kaixin Auto Group, a company incorporated under the laws of the Cayman Islands.

"NYSE" means The New York Stock Exchange.

"Ordinary Shares" means the ordinary shares of the Company with par value of US\$0.0001 per share.

"SEC" means the Securities and Exchange Commission of the United States of America or any other federal agency at the time administering the Securities Act.

"Share Exchange Agreement" means the share exchange agreement entered into between the Company, Renren and Kaixin on November 2, 2018.

“Subscription Price” means an USD amount equal to US\$10.00 multiplied by the number of Subscription Units.

“Renren” mean Renren Inc., a company incorporated under the laws of the Cayman Islands.

“Right” means a right to receive one-tenth (1/10) of an Ordinary Share upon closing of the Business Combination in accordance with the Rights Agreement.

“Rights Agreement” means a rights agreement dated October 25, 2017 between the Continental Stock Transfer & Trust Company as the Rights Agent and the Company.

“Warrant” means a non-redeemable warrant entitling the holder thereof to purchase one Ordinary Share on the same terms and conditions as those of the Private Warrant (as defined in the Warrant Agreement).

“Warrant Agreement” means a warrant agreement dated October 25, 2017 between Continental Stock Transfer & Trust Company as the Warrant Agent and the Company.

“Unit” means a unit consisting of (i) one Ordinary Share, (ii) one-half of a Warrant, and (iii) one Right.

II. SUBSCRIPTION FOR UNITS

2.1 **Subscription for Units.** Subject to the Conditions set out in Article III and the terms and conditions hereinafter set forth, at Closing (as defined in Section 2.2), the Subscriber shall subscribe for and purchase from the Company such number of Units as is set forth upon the signature page hereof at a price equal to US\$10.00 per Unit and the Company shall sell such Units to the Subscriber at a price equal to US\$10.00 per Unit subject to the Company’s right to sell to the Subscriber such lesser number of Units as the Company may, in its sole discretion, deem necessary or desirable (such less number of Units, the “Subscription Units”).

2.2 **Closing; Notification.** Subject to satisfaction or waiver by the party entitled to the benefit of the conditions set forth in Article III (other than conditions that by their nature are to be satisfied at Closing, but subject to the satisfaction or, to the extent permissible, waiver of those conditions at Closing), the closing of subscription of the Subscription Units pursuant to this Section 2.2 (the “Closing”) shall take place by electronic means on the Closing Date or at such time and date and other place as the parties may mutually agree, provided that the Company shall notify the Subscriber in writing at least ten (10) business days prior to Closing, the Closing Date, the number of Subscription Units, the total subscription amount and the payment instructions.

2.3 **Payment.** At Closing, the Subscriber shall pay and deliver, or cause to be paid or delivered, the Subscription Price by certified or bank check made payable to the Company or by wire transfer of funds in accordance with the payment instructions provided to the Subscriber in accordance with Section 2.2.

2.4 **Deliverables.** At Closing, the Company shall deliver:

(a) a duly executed shares certificate in respect of the Ordinary Shares underlying the Subscription Units (including the Ordinary Shares issued in exchange of the Rights underlying the Subscription Units in accordance with the Rights Agreement) registered in the name of the Subscriber;

(b) a duly executed warrant certificate in respect of the Warrants underlying the Subscription Units registered in the name of the Subscriber in the form attached to this Agreement as Exhibit A;

(c) a certified true copy of the register of members of the Company showing the Subscriber as the legal and beneficial holder of the Ordinary Shares underlying the Subscription Units (including the Ordinary Shares issued in exchange of the Rights underlying the Subscription Units in accordance with the Rights Agreement); and

(d) a certified true copy of the warrant register of the Company showing the Subscriber as the legal and beneficial holder of the Warrants underlying the Subscription Units.

III. CONDITIONS TO CLOSING

3.1 Conditions to Obligations of the Subscriber.

(a) No United States or non-United States federal, national, supranational, state, provincial, local or similar government, governmental, regulatory, or administrative authority, self-regulatory body, branch, agency or commission or any court, tribunal, or arbitral or judicial body (including any grand jury) (each, a “**Governmental Authority**”) shall have enacted, issued, promulgated, enforced or entered any law, rule, regulation, judgment, injunction, order or decree (in each case, whether temporary, preliminary or permanent) that is in effect and restrains, enjoins, prevents, prohibits or otherwise makes illegal the consummation of the transactions contemplated by this Agreement.

(b) The representations and warranties contained in Article V hereof shall be true and correct in all respects on and as of the Closing Date as though such representations and warranties were made on and as of the Closing Date.

(c) The Company shall have performed and complied with in all material respects each of, and not be in breach or default in any material respect under any of, the agreements, covenants, conditions and obligations contained in this Agreement that are required to be performed or complied with on or before the Closing Date.

(d) Each condition to closing as set out in Article IX in the Share Exchange Agreement shall have been satisfied by the relevant party (or waived in accordance with the terms of the Share Exchange agreement) and closing of the Business Combination shall take place prior to or on the Closing Date.

(e) Closing of each Concurrent Subscription (as defined in Section 5.5) shall have taken place prior to or concurrently with the Closing resulting in the Company having received gross proceeds of no less than US\$25,000,000 (including the Subscription Price) on or before Closing Date.

(f) All corporate and other actions required to be taken by the Company in connection with the issuance and sale of the Subscription Units and the Ordinary Shares, Warrants and Rights underlying such Subscription Units shall have been completed.

(g) No stop order or suspension of trading shall have been imposed by NYSE, the SEC or any other Governmental Authority with respect to the public trading of the Units, Ordinary Shares, Warrants or Rights.

IV. REPRESENTATIONS FROM AND COVENANTS BY THE SUBSCRIBER

4.1 **Reliance on Exemptions.** The Subscriber acknowledges that the Offering has not been reviewed by the SEC or any state agency and that this is intended to be a nonpublic offering exempt from the registration requirements of the Securities Act of 1933, as amended (the "Securities Act") and state securities laws. The Subscriber understands that the Company is relying in part upon the truth and accuracy of, and the Subscriber's compliance with, the representations, warranties, agreements, acknowledgments and understandings of the Subscriber set forth herein in order to determine the availability of such exemptions and the eligibility of the Subscriber to acquire the Subscription Units.

4.2 **Investment Purpose.** The Subscriber represents that the Subscription Units and its underlying securities are being purchased for his, her or its ("its") own account, not for the account or benefit of any U.S. person, for investment purposes only and not for distribution or resale to others in contravention of the registration requirements of the Securities Act. The Subscriber agrees that it will not sell or otherwise transfer the Subscription Units or its underlying securities unless such sale or transfer is registered under the Securities Act, or such Subscription Units or its underlying securities are resold in accordance with the provisions of Regulation S promulgated under the Securities Act ("Regulation S"), or an exemption from such registration is available.

4.3 **Accredited Investor; Risk of Investment.** The Subscriber represents and warrants that it is an "accredited investor" as such term is defined in Rule 501 of Regulation D promulgated under the Securities Act. The Subscriber recognizes that the purchase of Subscription Units involves a high degree of risk in that an investment in the Company is highly speculative and only investors who can afford the loss of their entire investment should consider investing in the Company and the Subscription Units.

4.4 **Not a "U.S. Person".** The Subscriber is not a "U.S. Person" as defined in Rule 902 of Regulation S, was not organized under the laws of any United States jurisdiction, and was not formed for the purpose of investing in securities not registered under the Securities Act. At the time the purchase order for this transaction was originated, the Subscriber was outside the United States.

4.5 **Information.** The Subscriber acknowledges careful review of this Agreement and the Company's publicly available filings made with the SEC prior to or as of January 14, 2019, and hereby represents that: (i) the Subscriber has been furnished by the Company during the course of this transaction with all information regarding the Company which it has requested; and (ii) that the Subscriber has been afforded the opportunity to ask questions of and receive answers from duly authorized officers of the Company concerning the terms and conditions of the Offering, and any additional information which it has requested.

4.6 **Tax Consequences.** The Subscriber acknowledges that the Offering may involve tax consequences and the Subscriber acknowledges that he must retain his own professional advisors to evaluate the tax and other consequences of an investment in the Subscription Units.

4.7 **Transfer or Resale.** The Subscriber acknowledges that Rule 144 (the “Rule 144”) promulgated under the Securities Act requires, among other conditions, a six-month to one year holding period prior to the resale (in limited amounts) of securities acquired in a non-public offering without having to satisfy the registration requirements under the Securities Act. The Subscriber understands that the Company makes no representation or warranty regarding its fulfillment in the future of any reporting requirements under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or its dissemination to the public of any current financial or other information concerning the Company, as is required by the Rule 144 as one of the conditions of its availability. The Subscriber understands and hereby acknowledges that the Company is under no obligation to register the Subscription Units or its underlying securities under the Securities Act, except pursuant to the registration rights set forth in Article VI herein. Notwithstanding the foregoing to the contrary, if in the future the Subscriber decides to offer, resell, pledge or otherwise transfer the Subscription Units or its underlying securities, such securities may be offered, resold, pledged or otherwise transferred only (A) pursuant to an effective registration statement filed under the Securities Act, (B) to a non-U.S. person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S of the Securities Act, (C) pursuant to the resale limitations set forth in Rule 905 of Regulation S, (D) pursuant to an exemption from registration under the Securities Act provided by Rule 144 thereunder (if available) or (E) pursuant to any other exemption from the registration requirements of the Securities Act, and in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. The Subscriber acknowledges, agrees and covenants that it will not engage in hedging transactions with regard to the Subscription Units or its underlying securities prior to the expiration of the distribution compliance period specified in Rule 903 of Regulation S promulgated under the Act, unless in compliance with the Securities Act. The Subscriber agrees that if any transfer of the Subscription Units or its underlying securities or any interest therein is proposed to be made, as a condition precedent to any such transfer, the transferor may be required to deliver to the Company an opinion of counsel satisfactory to the Company. Absent registration or another exemption from registration, the Subscriber agrees that it will not resell the Subscription Units or its underlying securities to U.S. Persons or within the United States.

4.8 **Legends.** The Subscriber understands that the certificates representing the Subscription Units and its underlying securities, until such time as they have been registered under the Securities Act, shall bear a restrictive legend in substantially the following form (and a stop-transfer order may be placed against transfer of such certificates or other instruments):

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND THESE SECURITIES MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT (A) PURSUANT TO AN EFFECTIVE REGISTRATION STATEMENT FILED UNDER THE SECURITIES ACT, (B) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 OF REGULATIONS S UNDER THE SECURITIES ACT, (C) PURSUANT TO THE RESALE LIMITATIONS SET FORTH IN RULE 905 OF REGULATIONS S UNDER THE SECURITIES ACT, (D) PURSUANT TO AN EXEMPTION FROM REGISTRATION PROVIDED BY RULE 144 UNDER THE SECURITIES ACT (IF AVAILABLE) OR (E) PURSUANT TO ANY OTHER EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, IN EACH CASE IN ACCORDANCE WITH ANY APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES OR ANY OTHER JURISDICTION. HEDGING TRANSACTIONS INVOLVING THESE SECURITIES MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE SECURITIES ACT.

4.9 **No General Solicitation.** Subject to the Company's warranty in Section 5.4 being and remaining true and correct, the Subscriber represents that the Subscriber was not induced to invest by any form of general solicitation or general advertising including, but not limited to, the following: (i) any advertisement, article, notice or other communication published in any newspaper, magazine or similar media or broadcast over the news or radio; and (ii) any seminar or meeting whose attendees were invited by any general solicitation or advertising.

4.10 **Validity; Enforceability.** If the Subscriber is a corporation, partnership, trust or other entity, the Subscriber represents and warrants that: (a) it is authorized and otherwise duly qualified to purchase and hold the Subscription Units; and (b) that this Agreement has been duly and validly authorized, executed and delivered and constitutes the legal, binding and enforceable obligation of the undersigned.

4.11 **Address.** The Subscriber hereby represents that the address furnished by the Subscriber in Exhibit B of this Agreement is its principal residence if the Subscriber is an individual or its principal business address if it is a corporation or other entity.

V. REPRESENTATIONS BY THE COMPANY

The Company represents and warrants to the Subscriber, as of the date hereof and as of the Closing Date, except as set forth in the disclosure schedules attached hereto:

5.1 **Organization and Qualification.** The Company is a Cayman Islands exempted company incorporated as a blank check company for the purpose of entering into a merger, share exchange, asset acquisition, share purchase, recapitalization, reorganization or similar business combination with one or more businesses or entities. The Company is in good standing under the laws of the Cayman Islands and has the corporate power to conduct the business which it conducts and proposes to conduct.

5.2 **Authorization; Validity.** The execution, delivery and performance of this Agreement by the Company has been duly approved by the Board of Directors of the Company and all other actions required to authorize and effect the offer and sale of the Units have been duly taken and approved. The Units have been duly and validly authorized and when issued and paid for in accordance with the terms hereof, will be valid and binding obligations of the Company enforceable in accordance with their terms.

5.3 Disclosure and Financial Statements.

(a) the Company has filed all forms, reports, schedules, statements and other documents, including any exhibits thereto, required to be filed or furnished by the Company with the SEC since the Company's formation under the Exchange Act or the Securities Act, together with any amendments, restatements or supplements thereto, and will file all such forms, reports, schedules, statements and other documents required to be filed subsequent to the date of this Agreement (the "Additional SEC Documents"). The Company has made available to the Subscriber copies in the form filed with the SEC of all of the following, except to the extent available in full without redaction on the SEC's website through EDGAR for at least two (2) days prior to the date of this Agreement: (i) the Company's Annual Reports on Form 10-K for each fiscal year of the Company beginning with the first year the Company was required to file such a form, (ii) the Company's Quarterly Reports on Form 10-Q for each fiscal quarter of the Company beginning with the first quarter the Company was required to file such a form (iii) all proxy statements relating to the Company's meetings of shareholders (whether annual or special) held, and all information statements relating to shareholder consents, since the beginning of the first fiscal year referred to in clause (i) above, (iv) its Form 8-Ks filed since the beginning of the first fiscal year referred to in clause (i) above, and (v) all other forms, reports, registration statements and other documents (other than preliminary materials if the corresponding definitive materials have been provided to the Subscriber pursuant to this Section 5.3) filed by the Company with the SEC since the Company's formation (the forms, reports, registration statements and other documents referred to in clauses (i), (ii), (iii), and (iv) above, whether or not available through EDGAR, are, collectively, the ("SEC Documents"). The SEC Documents were, and the Additional SEC Documents will be, prepared in all material respects in accordance with the requirements of the Securities Act, the Exchange Act, and the Sarbanes-Oxley Act, as the case may be, and the rules and regulations thereunder. The SEC Documents did not, and the Additional SEC Documents will not, at the time they were or are filed, as the case may be, with the SEC (except to the extent that information contained in any SEC Document or Additional SEC Document has been or is revised or superseded by a later filed SEC Document or Additional SEC Document, then on the date of such filing) contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading. As used in this Section 5.3, the term "file" shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC.

(b) The financial statements and notes of the Company contained or incorporated by reference in the SEC Documents and the Additional SEC Documents (collectively, the "Company Financial Statements") are complete and accurate and fairly present in all material respects, in conformity with U.S. GAAP applied on a consistent basis in all material respects and Regulation S-X or Regulation S-K, as applicable, the financial position of the Company as of the dates thereof and the results of operations of the Company for the periods reflected therein. The Company Financial Statements (i) were prepared from the books and records of the Company; (ii) were prepared on an accrual basis in accordance with U.S. GAAP consistently applied; (iii) contain and reflect all necessary adjustments and accruals for a fair presentation of the Company's financial condition as of their dates; and (iv) contain and reflect adequate provisions for all material liabilities for all material taxes applicable to the Company with respect to the periods then ended.

(c) Except as specifically disclosed, reflected or fully reserved against in the Company Financial Statements, and for liabilities and obligations of a similar nature and in similar amounts incurred in the ordinary course of business since the Company's formation, there are no material liabilities, debts or obligations (whether accrued, fixed or contingent, liquidated or unliquidated, asserted or unasserted or otherwise) relating to the Company. All debts and liabilities, fixed or contingent, which should be included under U.S. GAAP on a balance sheet are included in the Company Financial Statements.

(d) The financial statements and notes of Kaixin contained or incorporated by reference in the SEC Documents and the Additional SEC Documents (collectively, the "Kaixin Financial Statements") are complete and accurate and fairly present in all material respects, in conformity with U.S. GAAP applied on a consistent basis, the financial position of Kaixin and its subsidiaries ("Kaixin Group") as of the dates thereof and the results of operations of Kaixin Group for the periods reflected therein. The Kaixin Financial Statements (i) were prepared from the books and records of Kaixin Group; (ii) were prepared on an accrual basis in accordance with U.S. GAAP consistently applied; (iii) contain and reflect all necessary adjustments and accruals for a fair presentation of Kaixin Group's financial condition as of their dates; and (iv) contain and reflect adequate provisions for all material liabilities for all material taxes applicable to Kaixin Group with respect to the periods then ended.

(e) Except as specifically disclosed, reflected or fully reserved against in the Kaixin Financial Statements, and for liabilities and obligations of a similar nature and in similar amounts incurred in the ordinary course of business since the date of the Kaixin Financial Statements, there are no material liabilities, debts or obligations (whether accrued, fixed or contingent, liquidated or unliquidated, asserted or unasserted or otherwise) relating to any company in Kaixin Group. All debts and liabilities, fixed or contingent, which should be included under U.S. GAAP on a balance sheet are included therein. The balance sheet included in the Kaixin Financial Statements accurately reflects in all material respects the outstanding indebtedness of the Kaixin Group as of the date thereof.

5.4 **No Registration.** It is not necessary in connection with the issuance and sale of the Subscription Units to register the Subscription Units or Ordinary Shares, Warrants or Rights underlying the Subscription Units under the Securities Act or to qualify or register the Subscription Units or Ordinary Shares, Warrants or Rights underlying the Subscription Units under applicable U.S. state securities laws. No directed selling efforts (as defined in Rule 902 of Regulation S under the Securities Act) have been made by any of the Company, any of its Affiliates or any person acting on its behalf with respect to any Subscription Units; and none of such persons has taken any actions that would result in the sale of the Subscription Units to the Subscriber under this Agreement requiring registration under the Securities Act; and the Company is a "foreign issuer" (as defined in Regulation S).

5.5 **Concurrent Subscription.** On or before the Closing Date, the Company shall have entered into subscription or other investment agreements with third parties (each, a “Concurrent Subscription”) pursuant to which such third parties shall subscribe for, or obtain the right (whether or not contingent) to obtain, such amounts of Units for consideration which amounts to no less than US\$17,500,000. Each third party shall have executed either (i) a subscription agreement in the same form as this Agreement or (ii) a convertible loan agreement the final form of which has been provided to the Subscriber on or before the date hereof, in respect of the relevant Concurrent Subscription. The Company has not entered into any other equity financing arrangement in connection with the Business Combination with any third party except in accordance with this Section 5.5.

VI. REGISTRATION RIGHTS

6.1 **Demand Registration Rights.** The Company hereby agrees with the holders of the Subscription Units or their permitted transferees (collectively, the “Holders”) that at any time following six months after the date of the completion of the Business Combination by the Company, upon the written notice of the Holders holding a majority of the Subscription Units then outstanding (the “Requesting Holders”), the Company shall, within forty-five (45) business days of receipt of such written notice, file a registration statement under the Securities Act providing for the proposed resale of the Ordinary Shares underlying the Units, the Warrants and the Rights (the “Requested Shares”), all to the extent requisite to permit the sale or other disposition by the prospective seller or sellers of the Requested Shares provided further that the Company shall not be obligated to effect any such registration:

(a) During the period starting with the date sixty (60) days prior to the Company’s estimated date of filing of, and ending on the date six (6) months immediately following the effective date of, any registration statement pertaining to securities of the Company (other than a registration of securities in a transaction under Rule 145 promulgated under the Securities Act (“Rule 145”) or with respect to an employee benefit plan), provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective;

(b) After the Company has effected two (2) such registrations pursuant to this Section 6.1 and each such registration has been declared or ordered effective; or

(c) If any such Requesting Holders may dispose of shares of Registrable Securities pursuant to an effective registration statement on Form S-3 or Form F-3 under the Securities Act as in effect on the date hereof or any successor form under the Securities Act (“Form S-3/F-3”).

The Company shall not undertake, or be required to undertake, any action to qualify, register or list any securities on any exchange other than the Nasdaq Stock Market in connection with this Section 6.1, provided that the Ordinary Shares continue to be listed on the Nasdaq Stock Market.

6.2 **Underwriting.** The Company shall use its commercially reasonable efforts to cause such registration statement to become effective under the Securities Act as soon as practicable following the filing thereof. If Requesting Holder initiating any registration pursuant to Section 6.1 intend to distribute the Requested Shares by means of an underwriting, the Requesting Holder shall, if requested by the underwriters selected by the Requesting Holder, execute an underwriting agreement in customary form with the managing underwriter or underwriters. If in the good faith judgment of the managing underwriter of such public offering the inclusion of all of the Requested Shares would reduce the number of shares to be offered by the Company or interfere with the successful marketing of the securities offered by the Company, the number of Requested Shares otherwise to be included in the underwritten public offering may be reduced pro rata (by number of shares) among the Requesting Holders and all other holders of registration rights who have requested inclusion of their securities or excluded in their entirety if so required by the underwriter; provided, however, that the number of shares of Requested Securities to be included in such underwriting and registration shall not be reduced unless all other securities are first entirely excluded from the underwriting and registration, including, without limitation, all shares that are not Requested Shares and are held by any other person, including, without limitation, any person who is an employee, officer or director of the Company or any subsidiary of the Company. To the extent only a portion of the Requested Shares is included in the underwritten public offering, those shares of Requested Shares which are thus excluded from the underwritten public offering and any other securities of the Company held by such holders shall be withheld from the market by the Holders thereof for a period, not to exceed 90 days, which the managing underwriter reasonably determines is necessary in order to effect the underwritten public offering. The Company's obligations under Section 6.1 shall not apply to Ordinary Shares held by a Holder after the earlier of (a) five (5) years from the date of this Agreement, (b) the date that such shares held by a Holder have been sold pursuant to Rule 144 or an effective registration statement, or (c) such time as such shares held by a Holder are eligible for immediate resale pursuant to Rule 144.

6.3 **"Piggyback" Registration Rights.** The Company hereby agrees with the Holders that at any time following six months after the date of the completion of the Business Combination by the Company, if the Company shall determine to proceed with the actual preparation and filing of a new registration statement under the Securities Act in connection with the proposed offer and sale of any of its securities by it or any of its security holders (other than (a) a registration statement on Form S-4, S-8 or other limited purpose form or (b) any registration under Section 6.1 or 6.3 of this Agreement), the Company will give written notice of its determination to all Holders. Upon the written request from any Holders (the "Requesting Piggyback Holders"), within 18 days after their receipt of any such notice from the Company, the Company will, except as herein provided, cause all of the Ordinary Shares underlying the Units, the Warrants and the Rights covered by such request (the "Requested Piggyback Shares") held by the Requesting Piggyback Holders to be included in such registration statement, all to the extent requisite to permit the sale or other disposition by the prospective seller or sellers of the Requested Piggyback Shares; provided, further, that nothing herein shall prevent the Company from, at any time, abandoning or delaying any registration initiated by the Company under this Section 6.3 so long as the expense of such withdrawn registration shall be borne by the Company up to an amount of US\$10,000. If any registration pursuant to this Section 6.3 shall be underwritten in whole or in part, the Company may require that the Requested Piggyback Shares be included in the underwriting on the same terms and conditions as the securities otherwise being sold through the underwriters. In such event, the Requesting Piggyback Holders shall, if requested by the underwriters, execute an underwriting agreement in customary form with the managing underwriter or underwriters. If in the good faith judgment of the managing underwriter of such public offering the inclusion of all of the Requested Piggyback Shares would reduce the number of shares to be offered by the Company or interfere with the successful marketing of the securities offered by the Company, the number of shares of Requested Piggyback Shares otherwise to be included in the underwritten public offering may be reduced pro rata (by number of shares) among the Requesting Piggyback Holders and all other holders of registration rights with respect to the Company's shares who have requested inclusion of their securities or excluded in their entirety if so required by the underwriter; provided, however, that the right of the underwriter(s) to exclude shares (including Requested Piggyback Shares) from the registration and underwriting as described above shall be restricted so that (i) the number of Requested Piggyback Shares included in any such registration is not reduced below thirty percent (30%) of the aggregate number of Requested Piggyback Shares for which inclusion has been requested; and (ii) all shares that are not Requested Piggyback Shares and are held by any other person, including, without limitation, any person who is an employee, officer, consultant or director of the Company (or any subsidiary of the Company), shall first be excluded from such registration and underwriting before any Requested Piggyback Shares are so excluded. To the extent only a portion of the Requested Piggyback Shares is included in the underwritten public offering, those shares of Requested Piggyback Shares which are thus excluded from the underwritten public offering and any other securities of the Company held by such holders shall be withheld from the market by the Holders thereof for a period, not to exceed 90 days, which the managing underwriter reasonably determines is necessary in order to effect the underwritten public offering. Registration pursuant to this Section 6.3 shall not be deemed to be a demand registration as described in Section 6.1 above. There shall be no limit on the number of times the Requesting Piggyback Holders may request registration of Requested Piggyback Shares under this Section 6.3. The Company's obligations under this Section 6.3 shall not apply to Ordinary Shares held by a Holder after the earlier of (a) five (5) years from the date of this Agreement, (b) the date that such shares held by a Holder have been sold pursuant to Rule 144 or an effective registration statement, and (c) such time as such shares held by a Holder are eligible for immediate resale pursuant to Rule 144.

6.4 **Registration Procedures.** To the extent required by Sections 6.1, 6.2 and 6.3, the Company will:

(a) prepare and file with the SEC a registration statement with respect to such securities, and use its commercially reasonable efforts to cause such registration statement to become effective as promptly as practicable after the filing thereof;

(b) prepare and file with the SEC such amendments to such registration statement and supplements to the prospectus contained therein as may be necessary to keep such registration statement effective;

(c) use its commercially reasonable efforts to register or qualify the securities covered by such registration statement under such state securities or blue sky laws of such jurisdictions as the Holders may reasonably request in writing within 20 days following the original filing of such registration statement, except that the Company shall not for any purpose be required to execute a general consent to service of process or to qualify to do business as a foreign corporation in any jurisdiction wherein it is not so qualified;

(d) furnish to the Holders such number of copies of a prospectus including a preliminary prospectus, in conformity with the requirements of the Securities Act, and such other documents as they may reasonably request in order to facilitate the disposition of the securities;

(e) notify the Holders, promptly after it shall receive notice thereof, of the time when such registration statement has become effective or a supplement to any prospectus forming a part of such registration statement has been filed;

(f) prepare and file with the SEC, promptly upon the request of any Holders, any amendments or supplements to such registration statement or prospectus which, in the opinion of counsel for such Holders (and concurred in by counsel for the Company), is required under the Securities Act or the rules and regulations thereunder in connection with the distribution of ordinary shares by such Holders;

(g) prepare and promptly file with the SEC and promptly notify such Holders of the filing of such amendment or supplement to such registration statement or prospectus as may be necessary to correct any statements or omissions if, at the time when a prospectus relating to such securities is required to be delivered under the Securities Act, any event shall have occurred as the result of which any such prospectus or any other prospectus as then in effect would include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in the light of the circumstances in which they were made, not misleading; and

(h) advise the Holders, promptly after it shall receive notice or obtain knowledge thereof, of the issuance of any stop order by the SEC suspending the effectiveness of such registration statement or the initiation or threatening of any proceeding for that purpose.

It is a condition precedent to the obligations of the Company to take any action pursuant to this Article VI that the Requesting Holders shall cooperate with the Company in providing the information necessary to effect the registration of their ordinary shares, including completion of customary questionnaires and furnishing of information regarding itself, the securities of the Company held by it and intended method of disposition as shall be reasonably requested in writing by the Company. Failure to do so will at minimum result in exclusion of such Holders' Ordinary Shares from the registration statement.

6.5 Expenses.

(a) With respect to the any registration required pursuant to this Article VI, all reasonable fees, costs and expenses of and incidental to such registration, inclusion and public offering (as specified in paragraph (b) below) in connection therewith shall be borne by the Company, provided, however, that the Holders shall bear their pro rata share of any underwriting discount and commissions and transfer taxes. Notwithstanding the foregoing, the Company shall not be required to pay for any expenses of any registration process begun pursuant to this Section 6.5 if the registration request is subsequently withdrawn at the request of the Holders or any subset thereof, unless the Holders agree that such registration constitutes the use by the Holders of one (1) demand registration pursuant to Section 6.1.

(b) The fees, costs and expenses of registration to be borne by the Company as provided in paragraph (a) above shall include, without limitation, all registration, filing, and FINRA fees, printing expenses, fees and disbursements of counsel and accountants for the Company, fees and disbursements of one counsel for the Holders up to a maximum of \$10,000, and all reasonable legal fees and disbursements and other expenses of complying with state securities or blue sky laws of any jurisdictions in which the securities to be offered are to be registered and qualified (except as provided in 6.5(a) above).

6.6 **Indemnification.** Notwithstanding any other provision under this Agreement, in the event any Requested Shares are included in a registration statement under this Agreement, to the extent permitted by law, the Company will indemnify and hold harmless each Holder, its partners, officers, directors, legal counsel, any underwriter (as defined in the Securities Act) for such Holder and each person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any losses, claims, damages, or liabilities (joint or several) to which they may become subject under the Securities Act, the Exchange Act, or other United States federal or state law, insofar as such losses, claims, damages, or liabilities (or actions in respect thereof) arise out of or are based upon any of the following statements, omissions or violations (collectively a “Violation”):

(a) any untrue statement or alleged untrue statement of a material fact contained in such registration statement, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto;

(b) the omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or

(c) any violation or alleged violation by the Company of the Securities Act, the Exchange Act or any United States federal or state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any United States federal or state securities law in connection with the offering covered by such registration statement;

and the Company will reimburse each such Holder, its partner, officer, director, legal counsel, underwriter or controlling person for any legal or other expenses reasonably incurred by them, as such expenses are incurred, in connection with investigating or defending any such loss, claim, damage, liability or action.

6.7 **Survival; Consents to Judgments and Settlements.** The obligations of the Company under the Section 6.6 shall survive the completion of any offering of Requested Shares in a registration statement under this Agreement, regardless of the expiration of any statutes of limitation or extensions of such statutes. No indemnifying party, in the defense of any such claim or litigation, shall, except with the consent of the other party, consent to entry of any judgment or enter into any settlement which does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect to such claim or litigation.

6.8 **No Registration Rights to Third Parties.** Without the prior consent of the Holders, the Company covenants and agrees that it shall not grant, or cause or permit to be created, for the benefit of any person or entity any registration rights of any kind relating to any securities of the Company, other than rights that are subordinate in right to those of (a) Renren, (b) the Holders, or (c) such other parties granted registration rights prior to or at the time of the completion of the Business Combination.

VII. MISCELLANEOUS

7.1 **Notices.** Any notices, consents, waivers or other communications required or permitted to be given under the terms of this Agreement must be in writing and will be deemed to have been delivered: (a) upon receipt, when delivered personally, (b) upon receipt, when sent by facsimile (provided confirmation of transmission is mechanically or electronically generated and kept on file by the sending party), or (c) one (1) business day after deposit with an overnight courier service, in each case properly addressed to the party to receive the same. The addresses and facsimile numbers for such communications shall be:

If to the Company:

CM Seven Star Acquisition Corporation
Suite 1306, 13/F, AIA Central, 1 Connaught Road
Central, Hong Kong
Facsimile No.: +852 2789 9336
Attention: Sing Wang, Anthony Ho and Adrian Cheung

If to the Subscriber, to its address set forth in Exhibit B of this Agreement, or to such other address and/or facsimile number and/or to the attention of such other person as specified by written notice given to the Company five (5) days prior to the effectiveness of such change. Written confirmation of receipt (a) given by the recipient of such notice, consent, waiver or other communication, (b) mechanically or electronically generated by the sender's facsimile machine containing the time, date, recipient facsimile number and an image of the first page of such transmission, or (c) provided by an overnight courier service shall be rebuttable evidence of personal service, receipt by facsimile or receipt from an overnight courier service in accordance with clause (a), (b) or (c) above, respectively.

7.2 **Entire Agreement; Amendment.** This Agreement supersedes all other prior oral or written agreements between the Subscriber, the Company, their affiliates and persons acting on their behalf with respect to the matters discussed herein, and this Agreement and the instruments referenced herein contain the entire understanding of the parties with respect to the matters covered herein and therein and, except as specifically set forth herein or therein, neither the Company nor the Subscriber makes any representation, warranty, covenant or undertaking with respect to such matters. No provision of this Agreement may be amended or waived other than by an instrument in writing signed by the Company and the Subscriber.

7.3 **Severability.** If any provision of this Agreement shall be invalid or unenforceable in any jurisdiction, such invalidity or unenforceability shall not affect the validity or enforceability of the remainder of this Agreement in that jurisdiction or the validity or enforceability of any provision of this Agreement in any other jurisdiction.

7.4 **Headings.** The headings of this Agreement are for convenience of reference and shall not form part of, or affect the interpretation of, this Agreement.

7.5 **Successors And Assigns.** This Agreement shall be binding upon and inure to the benefit of the parties and their respective successors and assigns, including any purchasers of the Units. The Company shall not assign this Agreement or any rights or obligations hereunder without the prior written consent of the Subscriber, except by merger or consolidation. The Subscriber may assign some or all of its rights hereunder without the consent of the Company, provided, however, that any such assignment shall not release the Subscriber from its obligations hereunder unless such obligations are assumed by such assignee and the Company has consented to such assignment and assumption, which consent shall not be unreasonably withheld.

7.6 **No Third Party Beneficiaries.** This Agreement is intended for the benefit of the parties hereto and their respective permitted successors and assigns, and is not for the benefit of, nor may any provision hereof be enforced by, any other person.

7.7 **Further Assurances.** Each party shall do and perform, or cause to be done and performed, all such further acts and things, and shall execute and deliver all such other agreements, certificates, instruments and documents, as the other party may reasonably request in order to carry out the intent and accomplish the purposes of this Agreement and the consummation of the transactions contemplated hereby.

7.8 **No Strict Construction.** The language used in this Agreement will be deemed to be the language chosen by the parties to express their mutual intent, and no rules of strict construction will be applied against any party.

7.9 **Legal Representation.** The Subscriber acknowledges that: (a) it has read this Agreement and the exhibits hereto; (b) it understands that the Company has been represented in the preparation, negotiation, and execution of this Agreement by Loeb & Loeb LLP; (c) it has either been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of its own choice, or has chosen to forego such representation by legal counsel after being advised to seek such legal representation; and (d) it understands the terms and consequences of this Agreement and is fully aware of its legal and binding effect.

7.10 **Fees and Expenses.** Except as otherwise provided in this Agreement, the Company shall (a) bear all expenses incurred by the Company, and (b) bear, and reimburse the Subscriber for, all expenses incurred by the Subscriber up to US\$50,000, in each case, in connection with the negotiation, preparation and execution of this Agreement and the transactions contemplated hereby and thereby, including fees and expenses of attorneys, accountants, consultants and financial advisor.

7.11 **Confidentiality and Announcement.**

(a) Each party shall keep confidential any non-public material or information with respect to the negotiation, existence and terms and conditions of this Agreement and the business and other aspects of the other party which it is aware of or has access to in signing and performing this Agreement (including written or non-written information, hereinafter the “**Confidential Information**”). Confidential Information shall not include any information that is (a) previously known on a non-confidential basis by the receiving party, (b) in the public domain through no fault of such receiving party, its Affiliates or its or its Affiliates’ officers, directors or employees, (c) received from a party other than the Company or the Company’s representatives or agents, so long as such party was not, to the knowledge of the receiving party, subject to a duty of confidentiality to the Company or (d) developed independently by the receiving party without reference to confidential information of the disclosing party. No party shall disclose such Confidential Information to any third party. Either party may use the Confidential Information only for the purpose of, and to the extent necessary for performing this Agreement; and shall not use such Confidential Information for any other purposes.

(b) Notwithstanding any other provisions in this Section 7.11, if any party believes in good faith that any announcement or notice must be prepared or published pursuant to applicable laws (including filings required to be made by the Company with the SEC, including, without limitation, the proxy statement to be filed by the Company in connection with the Business Combination and any Current Reports on Form 8-K disclosing the transactions contemplated by this Agreement, as well as any rules or regulations of any securities exchange or valid legal process) or information is otherwise required to be disclosed to any Governmental Authority, such party may, in accordance with its understanding of the applicable laws, make the required disclosure in the manner it deems in compliance with the requirements of applicable laws; provided that, the party who is required to make such disclosure shall, to the extent permitted by law and so far as it is practicable, provide the other party with prompt notice of such requirement and cooperate with the other party at such other party's request and at the requesting party's cost, if applicable, to enable such other party to seek an appropriate protection order or remedy. In addition, each party may disclose, after giving prior notice to the other party to the extent practicable under the circumstances and subject to any practicable arrangements to protect confidentiality, Confidential Information to the extent required under judicial or regulatory process or in connection with any judicial process regarding any legal action, suit or proceeding arising out of or relating to this Agreement or the transaction contemplated hereunder, provided that, the party who is required to make such disclosure shall, to the extent permitted by law and so far as it is practicable, at the other party's request and at the requesting party's cost, cooperate with the other party to enable the other party to seek an appropriate protection order or remedy.

(c) Notwithstanding anything to the contrary provided in Section 7.11, each party may disclose the Confidential Information only to its Affiliates and its and its Affiliates' officers, directors, employees, agents and representatives on a need-to-know basis in the performance of this Agreement and the transaction contemplated hereunder; provided that, such party shall ensure such persons strictly abide by the confidentiality obligations hereunder.

(d) Without the prior written consent of the Subscriber, and whether or not the Subscriber then holds any security in the Company, the Company shall, and shall cause its Affiliates not to, (i) use in advertising, publicity or announcements the name of the Subscriber or any Affiliate of the Subscriber, either alone or in combination with any company name, trade name, trademark, service mark, domain name, device, design, symbol or any abbreviation, contraction or simulation thereof owned by the Subscriber or any of its Affiliates, or (ii) represent, directly or indirectly, that any product or services provided by the Company or any of its Affiliates has been approved or endorsed by the Subscriber or any of its Affiliates.

(e) The confidentiality obligations of each party hereunder shall survive the termination of this Agreement. Each party shall continue to abide by the confidentiality clause hereof and perform the obligation of confidentiality it undertakes until the other party approves release of that obligation or until a breach of the confidentiality clause hereof will no longer result in any prejudice to the other party.

7.12 **Termination.** This Agreement shall automatically terminate as between the Company and the Subscriber upon the earliest to occur of:

(a) the written consent of each of the Company and the Subscriber;

(b) the delivery of written notice to terminate by either the Company or the Subscriber if the Business Combination terminates in accordance with the Share Exchange Agreement;

(c) the delivery of written notice to terminate by either the Company or the Subscriber if the Closing shall not have occurred by April 30, 2019; or

(d) by the Company or the Subscriber in the event that any Governmental Authority shall have issued a judgment or taken any other action restraining, enjoining or otherwise prohibiting the transactions contemplated by this Agreements and such judgment or other action shall have become final and non-appealable.

7.13 **Survival.** Upon any termination of this Agreement, the Agreement will have no further force or effect, except for the provisions of Sections 7.1, 7.2, 7.3, 7.4, 7.6, 7.8, 7.9, 7.10, 7.11, 7.14, and 7.15 hereof, which shall survive any termination under this Section 7.13; provided, that neither the Company nor the Subscriber shall be relieved or released from any liabilities or damages arising out of (i) fraud or (ii) any breach of this Agreement prior to such termination. All the representations and warranties of the Company contained in this Agreement shall survive the termination of this Agreement.

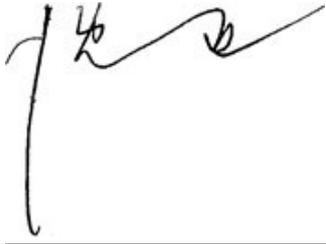
7.14 **Governing Law; Arbitration.** This Agreement shall be governed and interpreted in accordance with the laws of the state of New York. Any dispute arising out of or relating to this Agreement, including any question regarding its existence, validity or termination (the “**Dispute**”) shall be referred to and finally resolved by arbitration at the Hong Kong International Arbitration Centre in accordance with the Hong Kong International Arbitration Centre Administered Arbitration Rules then in force at the time of commencement of the arbitration. There shall be three arbitrators. The Company shall have the right to appoint one arbitrator, the Subscriber shall have the right to appoint the second arbitrator and the third arbitrator shall be appointed by the Hong Kong International Arbitration Centre. The language to be used in the arbitration proceedings shall be English. Each party irrevocably waives any immunity to jurisdiction to which it may be entitled or become entitled (including without limitation sovereign immunity, immunity to pre-award attachment, post-award attachment or otherwise) in any arbitration proceedings and/or enforcement proceedings against it arising out of or based on this Agreement or the transactions contemplated hereby.

7.15 **Counterparts.** This Agreement may be executed in two or more identical counterparts, all of which shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to the other party; provided that a facsimile signature shall be considered due execution and shall be binding upon the signatory thereto with the same force and effect as if the signature were an original, not a facsimile signature.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on 29 January 2019.

For and on behalf of
E&A Callet Investments Limited



Signature of Subscriber *Authorized Signature(s)*

E&A Callet Investments Limited

Name of Subscriber

P.O. Box 905, Quastisky Building, Road

Town, Tortola, British Virgin Islands

Address of Subscriber

N/A

Social Security or Taxpayer Identification

Number of Subscriber

750,000

Number of Units Subscribed For

Subscription Accepted:

CM Seven Star Acquisition Corporation

By: /s/ Sing Wang

Name: Sing Wang

Title: Director

[Signature page to Subscription Agreement]

E&A Callet Investments Limited

Address: 20 Huahai Street, Liwan District, Guangzhou, China

Attention: Investment Management Department and David Gu

Email address: malegal@vipshop.com; david.gu@vipshop.com