

Dated the 26<sup>th</sup> day of June 2024

**TOTAL PARTNER HOLDINGS LIMITED**  
(as Vendor)

AND

**NEW WORLD DEVELOPMENT COMPANY LIMITED**  
(新世界發展有限公司)  
(as Guarantor)

AND

**SHINE THROUGH HOLDINGS LIMITED**  
(as Purchaser)

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**SALE AND PURCHASE AGREEMENT**

in relation to the Sale and Purchase of Sale Shares and the Assignment of Sale Loan of  
Sky Treasure Development Limited 天得發展有限公司

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**WOO KWAN LEE & LO**  
Solicitors & Notaries  
26<sup>th</sup> Floor, Jardine House  
1 Connaught Place  
Central  
Hong Kong

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**THIS SALE AND PURCHASE AGREEMENT** (“**this Agreement**”) is dated the 26<sup>th</sup> day of June 2024 and entered into between:

- (1) **Total Partner Holdings Limited** (the “**Vendor**”), a BVI business company incorporated under the laws of the British Virgin Islands, whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110 British Virgin Islands, and which is registered as a non-Hong Kong company under the Companies Ordinance;
- (2) **New World Development Company Limited** (新世界發展有限公司) (the “**Guarantor**”), a limited liability company incorporated under the laws of Hong Kong with unique business identifier 03009691, whose registered office is at 30<sup>th</sup> Floor, New World Tower, 16 – 18 Queen’s Road Central, Hong Kong; and
- (3) **Shine Through Holdings Limited** (the “**Purchaser**”), a company incorporated under the laws of British Virgin Islands, whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110 British Virgin Islands, British Virgin Islands.

**WHEREAS:**

- (A) The Company (as defined below) is a limited liability company incorporated under the laws of Hong Kong. Particulars of the Company as at the date of this Agreement are set out in Part A of Schedule 1. The Subsidiary (as defined below) is a wholly foreign-owned enterprise established under the laws of the PRC and a direct wholly-owned subsidiary of the Company. Particulars of the Subsidiary and its branch company as at the date of this Agreement are set out in Part B and Part C respectively of Schedule 1.
- (B) The Vendor is the legal and beneficial owner of the Sale Shares, representing 30% of the total number of issued shares of the Company.
- (C) The Purchaser holds the remaining 70% of the total number of issued shares of the Company.
- (D) For illustrative purpose only, as at 31 May 2024, the Company was indebted to the Vendor in the amount of HK\$1,556,116,967, which is non-interest bearing, unsecured and repayable on demand.
- (E) The Vendor wishes to sell and the Purchaser wishes to purchase the Sale Shares (as defined below), and the Vendor wishes to assign and the Purchaser wishes to take the assignment of the Sale Loan (as defined below), both on the terms and conditions set out in this Agreement.
- (F) The Vendor is indirectly wholly-owned by the Guarantor beneficially and the Guarantor has agreed to guarantee all obligations of the Vendor under this Agreement.

**NOW IT IS HEREBY AGREED** as follows:

## 1. DEFINITIONS AND INTERPRETATION

1.1. In this Agreement (including the Recitals and Schedules), unless the context otherwise requires, the following expressions shall have the respective meanings set opposite thereto:

<b>“Accounting Principles”</b>	the generally accepted accounting principles in Hong Kong;
<b>“Accounts Date”</b>	31 March 2023;
<b>“Agreed Completion Accounts”</b>	has the meaning ascribed to it in Clause 4.2;
<b>“Agreement”</b>	this agreement (including the Recitals and Schedules) and including its amendments or replacements from time to time;
<b>“Agricultural Bank”</b>	Agricultural Bank of China Limited, Guangzhou Baiyun Branch (中國農業銀行股份有限公司廣州白雲支行);
<b>“Audited Accounts”</b>	the audited consolidated financial statements of the Company for the year ended the Accounts Date which were audited by the Auditors, a copy of which was provided by the Company to both the Vendor and the Purchaser before the date of this Agreement;
<b>“Auditors”</b>	PricewaterhouseCoopers;
<b>“Business Day”</b>	a day on which banks are generally open for business in Hong Kong and the PRC and which is not a Saturday, a Sunday, a public holiday or a day on which typhoon signal no. 8 (or above) or a “black” rainstorm warning or an “extreme conditions” announcement is issued or hoisted at any time in Hong Kong;
<b>“BOC”</b>	Bank of China Limited, Qianhai Shekou Branch (中國銀行股份有限公司前海蛇口分行)
<b>“BVI”</b>	British Virgin Islands;
<b>“Claim(s)”</b>	has the meaning ascribed to it in Clause 9.1;
<b>“Company”</b>	Sky Treasure Development Limited 天得發展有限公司, further details of which are set out in Part

	A of <u>Schedule 1</u> ;
<b>“Companies Ordinance”</b>	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
<b>“Completion”</b>	completion of the sale and purchase of the Sale Shares and the assignment of the Sale Loan in accordance with Clause 6;
<b>“Completion Accounts”</b>	the unaudited consolidated financial statements of the Company comprising the unaudited consolidated statement of financial position of the Company as at the Completion Date and the unaudited consolidated income statement of the Company for the period from 1 April 2023 to the Completion Date, each of which shall be based on the format of the Management Accounts and shall be prepared in accordance with Clause 4.4 and to be agreed by both the Vendor and Purchaser in accordance with Clause 4.2;
<b>“Completion Date”</b>	the third (3 <sup>rd</sup> ) Business Day after the fulfilment of the Condition (or such other date as the Vendor and the Purchaser may mutually agree in writing), being the date on which Completion takes place;
<b>“Completion Payment”</b>	has the meaning ascribed to it in Clause 3.1(b);
<b>“Condition”</b>	the condition precedent to Completion as provided in Clause 5.1;
<b>“Consideration”</b>	the total consideration to be paid by the Purchaser to the Vendor for the purchase of Sale Shares and the assignment of Sale Loan as set out in Clause 3.1;
<b>“CTFE”</b>	Chow Tai Fook Enterprises Limited;
<b>“Deed of Tax Indemnity”</b>	the deed of tax indemnity to be entered into between the Vendor, the Guarantor and the Purchaser, which shall be in the agreed form;
<b>“Deposit”</b>	has the meaning ascribed to it in Clause 3.1(a);
<b>“Disclosed”</b>	(a) documents, information, matters and circumstances disclosed by the Vendor to the Purchaser prior to the signing of this Agreement, including the fact that the branch company of the Subsidiary may be dissolved before or after the

Completion; and (b) information, matters and circumstances disclosed in all the audited financial statements of any Group Company for any period prior to the date of this Agreement (including without limitation, the Audited Accounts), the Management Accounts, the Existing Finance Documents, the JVA, the Project Agreements and any agreement to which (among others) CTFE, the Guarantor and any Regulatory Authority are parties;

<b>“Disposal”</b>	the transactions contemplated under this Agreement;
<b>“Encumbrance”</b>	all pledges, charges, claims, community or other property interest, liens, mortgages, leases, security interests, attachments, pre-emption rights, options, restrictions, conditional sale agreement or other title retention agreements and any other encumbrances or similar third party rights or claims of any kind;
<b>“Existing Finance Documents”</b>	the Existing Loan Agreement and any security or other documents entered into or to be entered into pursuant to the Existing Loan Agreement (including (a) the charge agreement dated 24 September 2020 entered into between the Subsidiary as chargor, BOC as chargee and agent, and Agricultural Bank as chargee; (b) the funds custody agreement dated 24 September 2020 entered into between the Subsidiary and BOC; and (c) the charge agreement dated 27 March 2024 entered into between the Subsidiary as chargor, BOC as chargee and agent, and Agricultural Bank as chargee);
<b>“Existing Leases and Licences”</b>	the existing lease and licence agreements entered into by the Subsidiary as landlord or licensor before the date of this Agreement in respect of the leasing and/or licensing of the Property (or any part thereof);
<b>“Existing Loan Agreement”</b>	the fixed asset syndicated loan agreement dated 24 September 2020 entered into between (among others) the Subsidiary as borrower and BOC as the lead arranger, initial lender and agent and Agricultural Bank as initial lender;
<b>“Final Completion Accounts”</b>	has the meaning ascribed to it in Clause 4.3;

<b>“Fundamental Warranties”</b>	the Warranties in paragraphs 18 to 20 of <u>Schedule 2</u> ;
<b>“Group”</b>	the Company and the Subsidiary, and <b>“Group Company”</b> means any of them;
<b>“Guaranteed Obligations”</b>	has the meaning ascribed to it in Clause 11.1;
<b>“Guarantor Group”</b>	the Guarantor and its subsidiaries;
<b>“HK\$” or “HKD”</b>	Hong Kong dollars, the lawful currency of Hong Kong;
<b>“HKIAC”</b>	Hong Kong International Arbitration Centre;
<b>“Hong Kong”</b>	the Hong Kong Special Administrative Region of the People’s Republic of China;
<b>“JVA”</b>	the joint venture agreement entered into between the Vendor, the Purchaser and the Company dated 23 October 2017;
<b>“Listing Rules”</b>	the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended, supplemented or otherwise modified from time to time);
<b>“Loan Assignment Deed”</b>	the deed of assignment to be executed by the Vendor, the Purchaser and the Company in respect of the Sale Loan, which shall be in the agreed form;
<b>“Loan Consideration”</b>	the consideration for the assignment of the Sale Loan, being:  (i) (if the RMB equivalent of the face value of the Sale Loan is less than the Consideration) an amount equivalent to the RMB equivalent of the face value of the Sale Loan; or  (ii) (if the RMB equivalent of the face value of the Sale Loan is equal to or more than the Consideration) an amount equivalent to the Consideration less RMB equivalent of the HK\$3.00;  and for the above purpose only, the exchange rate between RMB and HKD shall be the arithmetic

mean (rounded to four (4) decimal places) of the mid-point of the buy and sell exchange rates for converting HKD to RMB (offshore) as quoted by The Hongkong and Shanghai Banking Corporation Limited at 10:00 a.m. (Hong Kong time) on the second Business Day immediately preceding the Completion Date and for the purpose of such rounding, round up if the number in the next place is 5 or greater, and round down for other cases;

**“Long Stop Date”**

31 December 2024 or such other date as may be mutually agreed between the Vendor and the Purchaser;

**“Management Accounts”**

the unaudited consolidated financial statements of the Company, comprising an unaudited consolidated income statement of the Company for the period from 1 April 2023 to 31 May 2024 and an unaudited consolidated statement of financial position of the Company as at 31 May 2024, a copy of which has been prepared by the Company and provided to the Vendor and the Purchaser prior to the date of this Agreement;

**“Material Contracts”**

- (a) the Existing Finance Documents; and
- (b) any subsisting contracts entered into by any Group Company or to which any Group Company is a party for an amount or consideration exceeding RMB50 million (or its equivalent) which has been Disclosed;

**“Net Asset Value”**

the amount equivalent to the total consolidated assets of the Company (other than the Property and any deferred tax assets) minus the total consolidated liabilities of the Company (other than any deferred tax liabilities) to be determined with reference to the Pro Forma Accounts or the Agreed Completion Accounts or the Final Completion Accounts (as the case may be);

**“NAV Difference”**

an amount equivalent to (i) the Net Asset Value as at the Completion Date determined by reference to the Agreed Completion Accounts or the Final Completion Accounts (as the case may be) less (ii) the pro forma Net Asset Value as at 31 August 2024 determined by reference to the Pro Forma Accounts;



<b>“New Finance Documents”</b>	any new loan agreement which may be entered into prior to Completion by (among others) the Company and/or the Subsidiary as borrower and the Purchaser, CTFE and/or any subsidiary and/or holding company of CTFE as lender(s) for the purpose of (among others) refinancing of the loan under the Existing Loan Agreement, and any security and other documents entered into or contemplated to be entered into under such new loan agreement;
<b>“Other Warranties”</b>	the Warranties other than the Fundamental Warranties;
<b>“PRC”</b>	the People’s Republic of China and for the purposes of this Agreement, shall exclude Hong Kong, the Macau Special Administrative Region and Taiwan;
<b>“Pro Forma Accounts”</b>	the pro forma unaudited consolidated financial statements of the Company, comprising a pro forma unaudited consolidated income statement of the Company for the period from 1 June 2024 to 31 August 2024 and a pro forma unaudited consolidated statement of financial position of the Company as at 31 August 2024, a copy of which has been prepared by the Company and provided to the Vendor and the Purchaser prior to the date of this Agreement;
<b>“Property”</b>	the property the details of which are set out in Part D of <u>Schedule 1</u> ;
<b>“Project Agreements”</b>	collectively, (i) the agreement dated 30 December 2019 as amended by two supplemental agreements dated 31 March 2021 and 5 July 2021 respectively each entered into between, among others, the Company, CTFE, the Guarantor and a third party; and (ii) two agreements both dated 5 July 2021 entered into between, among others, the Company, CTFE, the Guarantor, the Subsidiary and two third parties, in relation to an office building constructed on Plots T201-0092, Block 01, Unit No. 2, Guiwan Area, Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone, Shenzhen, Guangdong Province, the PRC;
<b>“Recipient”</b>	has the meaning ascribed to it in Clause 12.1;

<b>“Regulatory Authority”</b>	any government, administrative, statutory or regulatory body or department or authority;
<b>“Representatives”</b>	has the meaning ascribed to it in Clause 12.1;
<b>“Resigning Director(s)”</b>	in respect of the Company, Mr. Lau Fu Keung (劉富強), being the director of the Company as nominated by the Vendor;
<b>“RMB”</b>	Renminbi, the lawful currency of the PRC;
<b>“Sale Loan”</b>	the unsecured, non-interest bearing and repayable on demand shareholder’s loan owing to the Vendor by the Company as at Completion;
<b>“Sale Shares”</b>	the three (3) Shares owned by the Vendor, representing 30% of the total number of the issued shares of the Company;
<b>“Share”</b>	the ordinary share in the issued share capital of the Company;
<b>“Share Consideration”</b>	the consideration for the sale and purchase of the Sale Shares, being the amount equivalent to (i) the Consideration less (ii) the Loan Consideration;
<b>“Subsidiary”</b>	深圳天得房地產開發有限公司 (Shenzhen Tiande Real Estate Development Company), further details of which are set out in Part B of <u>Schedule 1</u> ;
<b>“Tax” or “Taxation”</b>	all forms of taxation, estate duties, deductions, withholdings, duties, imposts, levies, fees, charges, social security, contributions, and rates imposed, levied, collected, withheld or assessed by any local, municipal, regional, urban, governmental, state, federal or other body in Hong Kong, the PRC, or elsewhere and any interest, additional taxation, penalty, surcharge or fine in connection therewith;
<b>“Transaction Documents”</b>	this Agreement, the Loan Assignment Deed and the Deed of Tax Indemnity, and all other agreements, deeds or documents to be entered into by the Vendor and/or the Purchaser and/or the Guarantor and/or the Company at Completion pursuant to any of the above;
<b>“Vendor’s Solicitors”</b>	Messrs. Woo Kwan Lee & Lo, being the solicitors for the Vendor and the Guarantor; and

**“Warranties”** the representations and warranties given by the Vendor as set out in Clause 7 and Schedule 2; and “Warranty” means any or a specific one of them.

1.2. In this Agreement, unless the context requires otherwise, any reference:

- (a) to a Clause or Schedule is a reference to a Clause of or a Schedule to this Agreement;
- (b) to this Agreement includes its Schedules;
- (c) to this Agreement, any other document or any provision of this Agreement or that document is a reference to this Agreement, that document or that provision as in force for the time being or from time to time amended in accordance with the terms of this Agreement or that document;
- (d) to a person includes an individual, a body corporate, a partnership, any other unincorporated body or association of persons and any state or state agency;
- (e) to a **“Party”** is a party to this Agreement and shall include any permitted successors and assignees of the Party concerned;
- (f) to any document expressed to be **“in the agreed form”** means a document approved by the Vendor and the Purchaser and, if not set out in a schedule to this Agreement or entered into contemporaneously with this Agreement, initialled or otherwise confirmed in writing by or on behalf of the Vendor and the Purchaser for the purpose of identification;
- (g) to a **“subsidiary”** or **“holding company”** shall have the same meanings given to those expressions respectively by sections 13 and 15 of the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);
- (h) to a time of day is a reference to the time in Hong Kong, unless expressly indicated otherwise;
- (i) to an enactment includes that enactment as it may be amended, replaced or re-enacted at any time, whether before or after the date of this Agreement, and any subordinate legislation made under it; and
- (j) to an **“agreement”** includes any document or deed.

1.3. In this Agreement, unless the context otherwise requires:

- (a) words importing the plural include the singular and vice versa;
- (b) words importing a gender include every gender; and
- (c) the words **“other”**, **“including”** and **“in particular”** do not limit the generality of any preceding words and are not to be construed as being limited to the same

class as the preceding words where a wider construction is possible.

- 1.4. Headings are for convenience only and shall not affect the construction of this Agreement.
- 1.5. The Schedules form part of this Agreement and shall have the same force and effect as if expressly set out in the body of this Agreement and any reference to this Agreement shall include the Schedules.
- 1.6. If an act must be done on a specified day which is not a Business Day, the act must be done instead on the next Business Day.

## **2. SALE AND PURCHASE OF SALE SHARES AND ASSIGNMENT OF SALE LOAN**

- 2.1. Subject to the terms and conditions of this Agreement, at Completion:
  - (a) the Vendor shall sell as the legal and beneficial owner of the Sale Shares and the Purchaser shall purchase, the Sale Shares, free from all Encumbrances and together with all rights now or hereafter attaching to them, including all rights to any dividend or other distribution declared, made or paid after the Completion Date; and
  - (b) the Vendor shall assign as legal and beneficial owner, and the Purchaser shall take the assignment, of the Sale Loan on the terms of the Loan Assignment Deed.

## **3. CONSIDERATION**

- 3.1. The Consideration shall be RMB1,440,450,187.00, subject to the adjustment (if any) in accordance with Clause 3.2, which shall be paid by the Purchaser to the Vendor in cash in the manner as follows and in accordance with Clause 3.4:
  - (a) a deposit in the sum of RMB144,045,018.70 (“**Deposit**”), representing 10% of the Consideration (before any adjustment in accordance with Clause 3.2), shall be paid by the Purchaser to the Vendor within two (2) Business Days from the date of this Agreement; and
  - (b) the balance of the Consideration in the sum of RMB1,296,405,168.30, as adjusted pursuant to Clause 3.2 (if applicable) (“**Completion Payment**”) shall be paid by the Purchaser to the Vendor at Completion.

For the purpose of apportionment, the consideration for the sale and purchase of the Sale Shares shall be the Share Consideration, and the consideration for the assignment of the Sale Loan shall be the Loan Consideration.

- 3.2. The Consideration shall be subject to upward or downward adjustments, as the case may be, in the following manner:
  - (a) if the Vendor and the Purchaser could agree on the Completion Accounts pursuant to Clause 4.2, making the following adjustments by either:-

- (i) adding to the Consideration an amount equivalent to 30% of the NAV Difference (if it is a positive figure); or
- (ii) deducting from the Consideration an amount equivalent to 30% of the absolute value of the NAV Difference (if it is a negative figure); and

for the purpose of this Clause 3.2(a), the NAV Difference shall be determined with reference to the Agreed Completion Accounts; or

- (b) if the Vendor and the Purchaser are unable to agree on the Completion Accounts in accordance with Clause 4.2 and either the Vendor or the Purchaser requests that the Final Completion Accounts shall be prepared in accordance with Clauses 4.3 and 4.4 after Completion, making the following adjustments following the preparation and delivery of the Final Completion Accounts in accordance with Clauses 4.3 and 4.4 after Completion:

- (i) adding to the Consideration an amount equivalent to 30% of the NAV Difference (if it is a positive figure); or
- (ii) deducting from the Consideration an amount equivalent to 30% of the absolute value of the NAV Difference (if it is a negative figure); and

for the purpose of this Clause 3.2(b), the NAV Difference shall be determined with reference to the Final Completion Accounts.

- 3.3. (a) (i) If the Consideration is increased pursuant to Clause 3.2(a)(i) above, the Purchaser shall pay to the Vendor the amount of the increase in the manner prescribed under Clause 3.4; or
- (ii) if the Consideration is reduced pursuant to Clause 3.2(a)(ii) above, the Vendor shall repay to the Purchaser the amount of such reduction by the delivery to the Purchaser a cheque drawn on a licensed bank in Hong Kong in favour of the Purchaser (or such other entity as the Purchaser may direct) or in any other manner as may be agreed between the Vendor and the Purchaser,

within five (5) Business Days after the Completion Accounts are agreed between the Vendor and the Purchaser in accordance with Clause 4.2.

- (b) (i) If the Consideration is increased pursuant to Clause 3.2(b)(i) above, the Purchaser shall pay to the Vendor the amount of the increase in the manner prescribed under Clause 3.4; or
- (ii) if the Consideration is reduced pursuant to Clause 3.2(b)(ii) above, the Vendor shall repay to the Purchaser the amount of such reduction by the delivery to the Purchaser a cheque drawn on a licensed bank in Hong Kong in favour of the Purchaser (or such other entity as the Purchaser may direct) or in any other manner as may be agreed between the Vendor and the Purchaser,

within five (5) Business Days after the Final Completion Accounts are delivered to the Vendor and the Purchaser in accordance with Clause 4.3.

- 3.4 For the purpose of Clauses 3.1, 3.3(a)(i) and 3.3(b)(i), the Purchaser shall make payments in respect of the relevant amount in RMB and in immediately available funds by wire transfer of the relevant amount to the following bank account designated by the Vendor or in such other manner as may be agreed between the Vendor and the Purchaser, in each case without any set-off, withholding or counterclaim or any kind:-

Bank: Mizuho Bank, Ltd. Hong Kong Branch  
Address: 12/F., K11 Atelier, 18 Salisbury Road, Tsim Sha Tsui, Kowloon, Hong Kong  
SWIFT code: MHCCHKHH  
Account name: New World Development (China) Limited  
Account no.: F10-768-605056 (RMB)

#### **4. PREPARATION OF COMPLETION ACCOUNTS**

- 4.1. Prior to the date of this Agreement, a copy of each of the Management Accounts and the Pro Forma Accounts prepared by the Company has been provided by the Company to the Vendor and the Purchaser.
- 4.2. The Vendor shall, at its own cost and expense, prepare the Completion Accounts in accordance with Clause 4.3. The draft of the Completion Accounts shall be delivered by the Vendor to the Purchaser no later than seven (7) Business Days after the Completion Date. Both the Vendor and Purchaser shall use all their respective reasonable endeavours to agree on the Completion Accounts within five (5) Business Days after the draft of the Completion Accounts has been provided by the Vendor to the Purchaser, and such Completion Accounts if so agreed between the Vendor and the Purchaser (the “**Agreed Completion Accounts**”) shall be used for determining the NAV Difference. The Purchaser shall deliver to the Vendor a certified copy (certified as true by one of the then directors of the Company) of the Agreed Completion Accounts, if the same is requested by the Stamp Office for the purpose of assessment of the stamp duty payable on the sale and purchase of the Sale Shares and/or the assignment of the Sale Loan, within three (3) Business Days after receiving such request.
- 4.3. In the event that the Vendor and the Purchaser are unable to agree on the Completion Accounts in accordance with Clause 4.2, either the Vendor or the Purchaser may, by a written notification to the other Party on or before the tenth (10th) Business Day after the draft Completion Accounts are delivered to the Purchaser, request that the Completion Accounts shall be audited (such requesting party, the “**Requesting Party**”). The Requesting Party shall procure that the Completion Accounts be audited by the Auditors and that such audited Completion Accounts (the “**Final Completion Accounts**”) be delivered to the Vendor and the Purchaser within sixty (60) days from the aforesaid notification. The Final Completion Accounts shall, in the absence of manifest error, be conclusive and binding on Parties for the purpose of determining the NAV Difference. The costs and expenses of the Auditors in relation to the preparation and audit of the Final Completion Accounts shall be borne by the Vendor and the

Purchaser in equal shares.

- 4.4. The Completion Accounts and the Final Completion Accounts (as the case may be) shall be prepared:
- (a) to give a true and fair view of the state of affairs and financial position of the Company as at the Completion Date and for the period from 1 April 2023 to the Completion Date;
  - (b) in accordance with the same accounting and valuation policies, principles, bases and methods applied on a consistent basis as used in preparing the Management Accounts; and
  - (c) be prepared in accordance with the Accounting Principles and other applicable requirements of the Companies Ordinance save and except that no revaluation of the Property shall be carried out.

## **5. CONDITION PRECEDENT TO COMPLETION**

- 5.1. Completion shall be subject to and conditional upon the approval of the Disposal by the independent shareholders (as defined in the Listing Rules) of the Guarantor in accordance with the Listing Rules.
- 5.2. The Vendor shall use all its reasonable endeavours to procure the fulfilment of the Condition on or before the Long Stop Date.
- 5.3. Neither the Vendor nor the Purchaser may waive the Condition.
- 5.4. In the event that the Condition is not fulfilled on or before Long Stop Date, this Agreement shall terminate and save for this Clause 5.4 and Clauses 9A.4, 11 to 16, be of no further effect and force. Upon such termination, the Vendor shall return the Deposit to the Purchaser (or as the Purchaser shall designate) within seven (7) Business Days without interests, and no Party shall be entitled to any rights or benefits or be under any obligations or have any liability to any other Party under or in respect of this Agreement, save for in respect of any antecedent breach.

## **6. COMPLETION**

- 6.1. Completion shall take place on the Completion Date at the office of the Vendor's Solicitors at 26/F., Jardine House, 1 Connaught Place, Central, Hong Kong at or before 1 p.m. (or at such other time, date and place or in such other manner as the Vendor and the Purchaser may mutually agree in writing). Notwithstanding anything to the contrary herein, neither Party shall be obliged to consummate the Completion unless all of the obligations of the other Parties, and all of the deliverables to be made by the other Parties, in each case, as set forth in this Clause 6, are performed or delivered (as the case may be) simultaneously on the Completion Date.
- 6.2. At Completion, the Purchaser shall, against compliance by the Vendor with the provisions of Clause 6.3:

- (a) pay the Completion Payment in accordance with Clause 3.1(b);
  - (b) deliver to the Vendor a copy of the instrument of transfer and bought note in respect of the Sale Shares, duly executed by the Purchaser;
  - (c) deliver to the Vendor one (1) original counterpart of the Loan Assignment Deed, duly executed by the Purchaser and the Company;
  - (d) deliver to the Vendor two (2) original counterparts of the Deed of Tax Indemnity, duly executed by the Purchaser; and
  - (e) deliver to the Vendor a certified copy of the minutes of a duly held meeting or a written resolution, of the board of directors of the Purchaser approving and authorising the execution and performance of the Transaction Documents to which it is a party and all transactions contemplated herein and therein;
- 6.3. At Completion, the Vendor shall, against compliance by the Purchaser with the provisions of Clause 6.2, deliver or procure the delivery to the Purchaser:
- (a) the instrument of transfer and sold note in respect of the Sale Shares, duly executed by the Vendor in favour of the Purchaser, together with the relevant share certificate(s);
  - (b) two (2) original counterparts of the Loan Assignment Deed, duly executed by the Vendor;
  - (c) one (1) original counterpart of the Deed of Tax Indemnity, duly executed by the Vendor and the Guarantor;
  - (d) a certified copy of the minutes of a duly held meeting or a written resolution, of the board of directors of the Vendor approving and authorising the execution and performance of the Transaction Documents to which it is a party and all transactions contemplated herein and therein;
  - (e) a certified copy of, or a certified copy of the extract of, the minutes of a duly held meeting, or a written resolution, of the board of directors of the Guarantor approving and authorising the execution and performance of the Transaction Documents to which it is a party and all transactions contemplated herein and therein;
  - (f) duly executed letters of resignation dated as of the Completion Date from the Resigning Director of the Company; and
  - (g) a certified copy of the written resolution of the board of directors of the Company as signed by the Resigning Director of the Company approving and authorising the execution of the Transaction Documents to which the Company is a party, the transfer of Sale Shares, the resignation of the Resigning Director of the Company and the appointment of such person(s) as the Purchaser may nominate as director(s) of the Company (provided that notice in writing of such nomination is given by the Purchaser to the Vendors or the Vendor's Solicitors



at least ten (10) Business Days prior to the Completion Date), such appointment and resignation to take effect from the Completion Date.

- 6.4. The Parties agree and confirm that upon Completion, the Property will be handed over to the Purchaser on an “as-is” basis and in the physical state and condition as it stands and that save for the Warranties in paragraph 6 of Schedule 2, no warranty or representation whatsoever has been or will be given or made by the Vendor regarding the physical state and condition of the Property.
- 6.5. None of the Purchaser nor the Vendor is obliged to perform any obligations in Clause 6.2 or Clause 6.3 (as the case may be) unless the other Party complies fully with the requirements of Clause 6.3 or Clause 6.2 (as the case may be). If the respective obligations of the Purchaser and the Vendor under Clause 6.2 or Clause 6.3 (as the case may be) are not complied with on the Completion Date other than due to the non-fulfilment of the Condition, the Vendor may by notice to the Purchaser (in the event that the Purchaser is unable or unwilling to comply with its obligations under Clause 6.2) or the Purchaser may by notice to the Vendor (in the event that the Vendor is unable or unwilling to comply with its obligations under Clause 6.3):
- (a) postpone Completion to a date (being a Business Day) falling not more than fourteen (14) days after the date originally set for Completion to enable the outstanding obligations to be complied with in the meantime in which event the provisions of this Agreement will apply to the date to which Completion is so postponed, provided that such right to postpone Completion shall not be exercised more than once by any Party; or
  - (b) proceed to Completion as far as practicable (without limiting its rights and remedies under this Agreement); or
  - (c) terminate this Agreement (in which event the provisions of Clause 9A shall apply).

## **7. WARRANTIES**

- 7.1. The Vendor represents and warrants to the Purchaser that:-
- (a) each of the Fundamental Warranties at the date of this Agreement is and shall remain true and accurate in and not misleading at all times up to Completion; and
  - (b) each of the Other Warranties at the date of this Agreement is and shall remain true and accurate in all material respects and is not and shall not be misleading in any material respect at all times up to Completion,
- save that the Warranties are given subject to the matters Disclosed.
- 7.2. Each of the Warranties shall be separate and independent and, save as expressly provided to the contrary to the intent that the Purchaser shall have a separate right of action in respect of any breach thereof, and shall not be limited by inference from or non-specific reference to any other Warranty or any other term of this Agreement, which is not expressly referenced to the Warranty concerned.

- 7.3. The Vendor shall not do, allow or procure any act or omission before the Completion which would constitute:-
- (a) a breach of any of the Fundamental Warranties if they were given at the Completion or which would make any of the Warranties inaccurate or misleading if they were so given; and
  - (b) a breach of any of the Other Warranties in material respects if they were given at the Completion or which would make any of the Warranties inaccurate or misleading in any material respects if they were so given.
- 7.4. The Vendor undertakes that it will, from time to time and at any time before Completion, promptly disclose in writing with full particulars to the Purchaser any event, fact or circumstance which become known to the Vendor after the date of this Agreement which is inconsistent with any of the Warranties or which could reasonably be expected to cause a breach of any of the Warranties at any time on or before Completion.
- 7.5. The Warranties are given subject to and qualified by reference to the matters Disclosed. For the avoidance of doubt, the Vendor shall not be liable to the Purchaser in respect of any Warranties to the extent of matters Disclosed.
- 7.6. The Vendor acknowledges that the Purchaser has entered into this Agreement in reliance upon the Warranties.
- 7.7. Subject to Completion taking place, in the event that (a) any of the Fundamental Warranties is breached or (as the case may be) proves to be untrue or misleading or (b) any of the Other Warranties is breached or (as the case may be) proves to be untrue or misleading in any material respect, and without prejudice to any other equitable relief a court of competent jurisdiction may see fit to award, the Vendor shall on demand pay to the Purchaser:
- (a) in relation to any breach of the Fundamental Warranties, the amount of all losses, costs and expenses suffered or incurred by the Purchaser, the Company and the Subsidiary as a result or in connection with such breach; and
  - (b) in relation to any breach of the Other Warranties, 30% of the amount of all losses, costs and expenses suffered or incurred by the Purchaser and the Group as a result or in connection with such breach (solely for the purpose of calculation of the losses, costs and expenses suffered or incurred by the Purchaser as referred to in this Clause 7.7(b), it shall be presumed that the Purchaser did not own any direct or indirect equity interest in the Group immediately prior to the date hereof and that the Purchaser would acquire 100% direct or indirect equity interest in the Group from the Vendor at Completion);
- 7.8. If any sum payable by the Vendor in relation to any breach of the Warranties under Clause 7.7 shall be subject to Tax (whether by way of deduction or withholding or direct assessment of the person entitled thereto), such payment shall be increased by such an amount as shall ensure that after deduction, withholding or payment of such Tax the recipient shall have received a net amount equal to the payment otherwise required

hereby to be made.

## **8. PURCHASER'S WARRANTIES**

8.1. The Purchaser represents and warrants to the Vendor that, as at the date of this Agreement and at all times up to Completion:

- (a) it is duly incorporated and validly existing under the laws of BVI and has full capacity, power and authority to enter into and perform the Transaction Documents to which it is a party and the transactions and obligations hereunder and thereunder;
- (b) the Transaction Documents to which it is or will be a party constitute (or shall constitute when executed) valid, legal and binding obligations of the Purchaser enforceable in accordance with the terms thereof;
- (c) the execution, delivery and performance of each of the Transaction Documents to which the Purchaser is or will be a party do not and will not violate any provision of any charge, mortgage, agreement or other undertaking or instrument to which it is a party or which is binding upon it or any of its assets, and does not and will not result in the creation or imposition of any Encumbrance on any of its assets pursuant to the provisions of any such charge, mortgage, agreement or other undertaking or instrument;
- (d) the execution, delivery and performance of each of the Transaction Documents and the consummation of the transactions contemplated hereunder and thereunder will not result in any breach of any constitutional document of the Purchaser or by which its property or assets may be bound or affected or violate any law or any rule or regulation of any administrative agency or governmental body or any order, writ, injunction or decree of any court administrative agency or governmental body to which the Purchaser is subject;
- (e) as at the date of this Agreement and at Completion, no litigation, arbitration, administrative or criminal or other proceeding, dispute or judgment against the Purchaser or to which the Purchaser is a party which might by itself or together materially and adversely affect the Purchaser's ability to observe or perform its obligations under any of the Transaction Documents to which it is a party and the consummation of the transactions contemplated hereunder and thereunder, is subsisting or, so far as the Purchaser is aware, pending or threatened against the Purchaser;
- (f) no step has been taken in relation to the Purchaser and no legal proceedings have been initiated or threatened against the Purchaser for its insolvency, winding up, liquidation or administration for the appointment of a liquidator, receiver, administrator, administrative receiver or similar officer over all or any of its assets; and
- (g) the source of the Consideration and its application for the transactions contemplated hereunder are not in breach of applicable laws or regulations.

## 9. LIMITATIONS

- 9.1 Notwithstanding any other provisions in this Agreement or any other Transaction Documents to the contrary, any claims by the Purchaser against the Vendor and/or the Guarantor under this Agreement (including in respect of the Warranties) or any other Transaction Documents (the “**Claim(s)**”) shall be subject to the limitations referred to in Clause 9.
- 9.2 In respect of any Claim in relation to any breach of the Other Warranties, the aggregate amount that would be recoverable from the Vendor and/or the Guarantor shall be up to 30% of the losses, claims, liabilities, costs and expenses suffered or incurred by the Purchaser and the Group as a result of such breach of the Other Warranties (solely for the purpose of calculation of the losses, claims, liabilities, costs and expenses suffered or incurred by the Purchaser as referred to in this Clause 9.2, it shall be presumed that the Purchaser did not own any direct or indirect equity interest in the Group immediately prior to the date hereof and that the Purchaser would acquire 100% direct or indirect equity interest in the Group from the Vendor at Completion).
- 9.3 In respect of any Claim (other than a claim under the Deed of Tax Indemnity), the Vendor and/or the Guarantor will only be liable if the aggregate amount (excluding interest and costs) that would be recoverable from the Vendor and/or the Guarantor in respect of such Claim or Claims exceeds HK\$1,000,000 (or its equivalent).
- 9.4 The Purchaser shall not be entitled to make a Claim (other than a claim under the Deed of Tax Indemnity) against the Vendor and/or the Guarantor:
- (a) in respect of any matter or thing after the date of this Agreement done or omitted to be done at the written request of or with the written consent of the Purchaser;
  - (b) in connection with the New Finance Documents and the transactions contemplated thereunder; or
  - (c) if and to the extent that:
    - (i) the Claim would not have arisen but for any act, omission, transaction or arrangement (or any combination of any of the same) voluntarily effected after Completion by the Purchaser other than pursuant to a legally binding obligation created before Completion by the Vendor, the Company or the Subsidiary without the prior written consent of the Purchaser;
    - (ii) the Claim would not have arisen but for any change in the accounting policy or practice of the Company or the Subsidiary having effect after Completion except where such change was necessary in order to comply with any mandatory legal, regulatory or financial reporting requirement;
    - (iii) the Claim arises or is increased as a result of the passing of, or any change in or any change in the interpretation of, any law, rule, regulation or administrative practice of any government authority after Completion;

- (iv) the subject matter of the Claim, including any cost or expense incurred by the Purchaser, has been wholly made good or has otherwise been fully compensated for without cost or expense to the Purchaser or the Company;
- (v) provision is made for such Claim in the Agreed Completion Accounts or the Final Completion Accounts (as the case may be);
- (vi) the subject matter of the Claim is taken into account in computing and reducing the Net Asset Value based on the Agreed Completion Accounts or the Final Completion Accounts (as the case may be);
- (vii) recovery in respect of the liability has been made under any of the other Transaction Documents;
- (viii) it arises or is increased as a result of the disposal or sale or transfer or other dealing of (i) the whole or part of the Property by the Subsidiary after Completion or (ii) the whole or part of the equity interest in the Company or the Subsidiary after Completion, or any appreciation in the value of the Property; or
- (ix) to the extent of any loss of profit, business, goodwill, reputation or any consequential, special or indirect loss after Completion; or
- (x) in respect of any liability which is contingent unless and until such contingent liability becomes an actual liability and is due and payable.

9.5 If any of the Vendor and/or the Guarantor pays an amount in discharge of any Claim, and the Purchaser and/or the Company and/or the Subsidiary subsequently recovers (whether by payment, discount, credit, relief or otherwise) from a third party, and is entitled to retain, a sum which is referable to the subject matter of the Claim and which would not otherwise have been received by the Purchaser and/or the Company and/or the Subsidiary, the Purchaser shall pay, or shall procure that the Company and/or the Subsidiary pays, to the Vendor and/or the Guarantor an amount equal to the lesser of (a) the sum recovered from the third party (less any costs incurred in such recovery) and (b) the amount previously paid by the Vendor and/or the Guarantor to the Purchaser.

9.6 For avoidance of doubt, the Purchaser shall not be entitled to recover from the Vendor and/or the Guarantor more than once under this Agreement (including for breach of the Warranties), the Deed of Tax Indemnity or any other Transaction Documents in respect of the same losses suffered whether by the Purchaser and/or the Company and/or the Subsidiary.

9.7 No Claim shall be brought by the Purchaser unless the Purchaser shall have a written notice given to the Vendor specifying in reasonable detail and to the extent possible the event or default to which the Claim relates (to the extent known or should, after making reasonable enquiries, have been known to the Purchaser and/or the Company and/or the Subsidiary) and the nature of the breach (if applicable) and amount claimed no later than:

- (a) in the case of a claim relating to Tax, the expiry of a period of seven (7) years commencing on the Completion Date; and
- (b) in any other case, the expiry of a period of five (5) years commencing on the Completion Date.

9.8 Any Claim in respect of which written notice has been given in accordance with Clause 9.7 will be deemed to have been irrevocably withdrawn and lapsed and the liability of the Vendor and/or the Vendor's Guarantor shall terminate, if (not having been previously satisfied, settled or withdrawn) mediation, arbitration or other legal proceedings in respect of such Claim have not been commenced against the Vendor or the Vendor's Guarantor on or before the expiry of the period of six (6) calendar months after the date of such written notice.

9.9 The aggregate liability of the Vendor and the Guarantor under this Agreement (including the Warranties), the Deed of Tax Indemnity and the other Transaction Documents shall not exceed the amount equivalent to the Consideration actually received by the Vendor.

9.10 The Purchaser shall, and shall procure that the Company and/or the Subsidiary shall, in relation to any loss or liability which might give rise to a Claim against the Vendor and/or the Guarantor take reasonable steps to avoid or mitigate that loss or liability.

## **9A TERMINATION**

9A.1 If the Vendor elects to terminate this Agreement in accordance with Clause 6.5 (in the event that the Purchaser is unable or unwilling to comply with its obligations under Clause 6.2), the Deposit shall be forfeited to the Vendor as damages and the termination shall not affect or prejudice the then accrued rights and obligations of the Vendor (including the right to damages for the breach, if any, giving rise to the termination and any other pre-termination breach by any Party).

9A.2 If the Purchaser elects to terminate this Agreement in accordance with Clause 6.5 (in the event that the Vendor is unable or unwilling to comply with its obligations under Clause 6.3), the Vendor shall within seven (7) Business Days of the termination return the Deposit paid by the Purchaser in full to the Purchaser (or as the Purchaser may otherwise direct) without interests or costs, and the termination shall not affect or prejudice the then accrued rights and obligations of the Purchaser (including the right to damages for the breach, if any, giving rise to the termination and any other pre-termination breach by any Party).

9A.3 On the termination of this Agreement, all obligations of all the Parties under this Agreement shall terminate (except for this Clause 9A, and Clauses 11 to 16).

9A.4 The termination of this Agreement howsoever caused shall not affect any provision of this Agreement which is expressly or by implication provided to come into effect on or to continue in effect after such termination.

## **9B PRE-COMPLETION UNDERTAKINGS**

- 9B.1 The Vendor hereby undertakes with the Purchaser that on and after the date of this Agreement and up to the Completion Date, the Vendor shall procure the Group Companies not to, save with the prior written consent of the Purchaser or save as contemplated or expressly permitted under this Agreement or conducted in connection with the ordinary course of business of the Group Companies, do any of the following:
- (a) create, allot or issue or agree to create, allot or issue any shares or other securities out of the capital of any Group Company or grant or agree to grant any option over or right to acquire any additional shares or other securities or loan capital of any Group Company, or otherwise alter the capital of any Group Company;
  - (b) pass any resolution for winding up, liquidation or receivership of any Group Company, or make any composition or arrangement with the creditors of any Group Company;
  - (c) acquire or sell, transfer or in any other way dispose of any of the assets, business or undertaking (including the ownership interest in the Property) of any Group Company (or any interest therein) or contract to do so, other than any tenancies and licences which may be entered into by the Subsidiary after the date of this Agreement;
  - (d) establish any pension or retirement scheme, share option scheme or share incentive scheme;
  - (e) terminate or allow to lapse any insurance policy taken out by any Group Company which is now in effect;
  - (f) enter into any partnership or joint venture arrangement with any third party;
  - (g) purchase or take or lease or assume the possession of any real property (other than the Property);
  - (h) change or alter the name of any Group Company;
  - (i) create or assume any guarantee or indemnity for or otherwise provide security(ies) for the liabilities or obligations of any person, other than pursuant to the New Finance Documents;
  - (j) declare, pay or make any dividend or other distribution out of the profit, reserves or capital;
  - (k) create any fixed or floating charge, lien (other than a lien arising by operation of law) or other encumbrance over the whole or any part of the undertaking, property or assets of any Group Company (including the Property), other than pursuant to the New Finance Documents;
  - (l) incur any indebtedness or borrowing (other than the Sale Loan or in contemplation under or in connection with the New Finance Documents);

- (m) cancel (or enter into any arrangement to cancel) any indebtedness for money owed to any Group Company, or waive any claim or right;
- (n) make any alteration to any provisions of the articles of association or constitutional document of any Group Company;
- (o) reduce share capital of any Group Company or repay, redeem or purchase any of the issued shares of any Group Company;
- (p) appoint any directors, secretaries or appoint (pursuant to any power of attorney or similar authority) attorneys;
- (q) remove the existing auditors of any Group Company or appoint new auditors of any Group Company;
- (r) merge, consolidate or dissolve any Group Company;
- (s) make or agree to make any capital commitment or approve any capital expenditure;
- (t) commence any litigation, arbitration or other dispute resolutions process or administrative or criminal proceedings against any third party, or agree or attempt to agree any settlement with any third party in respect of any litigation, arbitration or other dispute resolutions process or administrative or criminal proceedings; or
- (u) in any way depart from the ordinary course of the day-to-day business of any Group Company either as regards to the nature, scope or manner of conducting the same.

## **10. OTHER UNDERTAKINGS**

- 10.1. The Vendor undertakes to procure that all amount owing from any fellow subsidiary of the Vendor to the Subsidiary shall be repaid in full on the Completion Date. For the avoidance of doubt, such repayment shall not be required to be made prior to Completion.
- 10.2. The Vendor undertakes to, as soon as practicable after the signing of this Agreement, notify the relevant Regulatory Authority with which the Subsidiary has entered into any agreement prior to the date of this Agreement in relation to this Agreement and/or the Disposal. If the Vendor or the Purchaser receives any objection or imposition of any condition from any Regulatory Authority regarding the Disposal and/or the Guarantor, CTFE and/or the Subsidiary and/or relating to the Property before the Completion Date, it shall forthwith notify the other and the Vendor and the Purchaser shall use their respective reasonable endeavours to procure that such objection be withdrawn or such condition be fulfilled, modified or waived as soon as practicable and before the Completion Date, failing which the Vendor and the Purchaser shall negotiate in good faith as to whether and how to proceed with the Disposal. If the Vendor and the Purchaser (both acting reasonably) agree that the Disposal shall not proceed due to such



objection or condition, they shall enter into a written agreement to terminate this Agreement, upon which the Deposit shall be returned by the Vendor to the Purchaser in full within seven (7) Business Days without interests and all costs and expenses incurred by the Purchaser in relation to this Agreement and the transactions contemplated hereunder shall be borne by the Vendor.

- 10.3. The Vendor undertakes to, within two (2) years after Completion, use its reasonable endeavours to address the enquiries from such Regulatory Authority as referred to in Clause 10.2 above if after Completion, the Vendor, the Purchaser and/or any Group Company receive any enquiries from such Regulatory Authority regarding the Disposal.
- 10.4. Subject to Completion taking place, the Vendor undertakes to pay to the Purchaser 30% of the amount of all losses, costs and expenses suffered or incurred by the Company and/or the Subsidiary in connection with or as result of any breach by the Company and/or Subsidiary under the Project Agreements which occurs prior to Completion to the extent that such losses, costs and expenses are not paid or compensated for by the Guarantor to the relevant party of the Project Agreements.
- 10.5. It is acknowledged that prior to the date of this Agreement, the Subsidiary has paid certain amount as prepaid land appreciation tax to the Taxation authority in the PRC. If the Purchaser or any Group Company shall actually receive a refund of any part of such prepaid land appreciation tax at any time within seven (7) years after the Completion Date (whether as a result of a decrease in tax rate after the date hereof with retrospective effect or otherwise) together with the relevant tax clearance certificate or document issued by the relevant Taxation authority, the Purchaser undertakes to forthwith pay, or procure the relevant Group Company to pay, to the Vendor (or as it may direct) an amount equivalent to 30% of the refund amount.
- 10.6 (a) It is expected that as at the Completion Date, there will remain amounts payable by the Group in relation to the relevant development and construction related contracts entered into by the Group prior to the Completion Date (the “**Pre-Completion Construction Contracts**”).
- (b) If the Purchaser or the Group receives the final accounts in relation to all Pre-Completion Construction Contracts (the “**Final Accounts**”) within five (5) years from the Completion Date, the Purchaser shall as soon as practicable and in any event within sixty (60) days after receipt of the same, notify the Vendor in writing of the aggregate sum of (i) the amount that has been paid by the Purchaser or the Group in relation to the Pre-Completion Construction Contracts after the Completion Date and (ii) the amount that remains payable by the Group in relation to the Pre-Completion Construction Contracts, calculated based on the Final Accounts (such aggregate amount, the “**Final Contract Sum**”).
- (c) If the Final Contract Sum is less than the amount of payables and accruals in relation to the Pre-Completion Construction Contracts as shown in the Agreed Completion Accounts or the Final Completion Accounts (as the case may be) (the “**Relevant Payables**”), the Purchaser undertakes to pay, or procure the relevant Group Company to pay, to the Vendor (or as it may direct) an amount (the “**Payables Refund**”) equivalent to 30% of the difference within seventy-five (75) days after the receipt of all the Final Accounts by the Purchaser or the

Group.

- (d) For the avoidance of doubt, if the Purchaser and the Group do not receive all the Final Accounts within five (5) years from the Completion Date or if the Final Contract Sum is more than the Relevant Payables, there will be no Payables Refund payable by the Purchaser or the Group to the Vendor pursuant to this Clause 10.6.

## **11. GUARANTEE**

- 11.1. The Guarantor, in consideration of the Purchaser entering into this Agreement, hereby unconditionally and irrevocably guarantees as primary obligor and not merely as surety to the Purchaser, the due and punctual observance and performance by the Vendor of all the agreements, obligations, commitments and undertakings (whether present or future, actual or contingent) contained in this Agreement (the “**Guaranteed Obligations**”) to the intent that should the Vendor fail to duly and punctually perform or discharge any of the Guaranteed Obligations, the Guarantor shall forthwith upon demand perform and discharge or procure the performance and discharge of such Guaranteed Obligation.
- 11.2. Should any purported obligation of the Vendor which if valid or enforceable would be the subject of the guarantee in this Clause 11, be or become wholly or in part invalid or unenforceable against the Vendor by reason of any defect in or insufficiency or want of powers of the Vendor or irregular or improper purported exercise thereof or breach or want of authority by any person purporting to act on behalf of the Vendor or because any of the rights have become barred by reason of any legal limitation (save for any statutory limitation period), disability, incapacity or any other fact or circumstance whether or not known to the Purchaser, the Guarantor shall nevertheless be liable to the Purchaser in respect of the Guaranteed Obligations as if the same was wholly valid and enforceable.
- 11.3. The guarantee provided by the Guarantor in this Clause 11 may be enforced against it by the Purchaser at any time without first making a demand on the Vendor or instituting legal proceedings against the Vendor in the first instance or joining in the Vendor as a party in the same proceedings against it.
- 11.4. The guarantee in this Clause 11 shall be a continuing guarantee and shall remain in full force and effect until all of the Guaranteed Obligations have been duly performed and discharged in full notwithstanding any intermediate payment or settlement of account by, any merger or consolidation with any other person of, or the insolvency, liquidation or change in the constitution, control or status of, the Vendor or any other matter whatsoever.
- 11.5. The Guarantor waives any right it may have of first requiring the Purchaser to proceed against or enforce any other rights or claim payment from any other person before claiming from it under this Clause 11. This waiver applies irrespective of any applicable laws or any provision of this Agreement (or the other Transaction Documents) or any other agreement entered into pursuant to this Agreement to the contrary.
- 11.6. The Guarantor's liabilities under Clause 11 are not affected by any arrangement which

the Purchaser may make with the Vendor or with another person which (but for this Clause 11) might operate to diminish or discharge the liability of or otherwise provide a defence to a surety.

- 11.7. For the avoidance of doubt, the liability of the Guarantor in respect of the Guaranteed Obligations is subject to the same limitations and qualifications as applicable to the Vendor as set out in Clause 9 of this Agreement *mutatis mutandis*.

## **12. CONFIDENTIALITY**

- 12.1. Subject to Clauses 12.2 and 12.3 below, each Party (each a “**Recipient**”) and each of their respective directors, officers, employees, agents and advisers (collectively, the “**Representatives**”) shall treat as confidential all information received or obtained by it or any of its Representatives as a result of entering into or the performance of this Agreement including (i) information relating to the provisions of this Agreement; (ii) the negotiations leading up to this Agreement; (iii) the subject matter of this Agreement; or (iv) the business or affairs of any other Parties, and shall not at any time make use of, disclose or divulge to any person any such information or make any announcement of any such information without the prior written consent of the other Parties.
- 12.2. Clause 12.1 shall not apply to information that (i) is or becomes generally available to the public other than as a result of the action or inaction of the Recipient or its Representatives; (ii) becomes available to the Recipient or its Representatives on a non-confidential basis from a source other than the other Parties or their respective Representatives; provided that such source is not known to the Recipient or its Representatives after reasonable enquiry to be bound by a confidentiality agreement or to be otherwise prohibited from transmitting such information by a contractual, legal or fiduciary obligation; (iii) was in the possession of the Recipient or its Representatives prior to disclosure to it by the other Parties or their respective Representatives and was not known to the Recipient or its Representatives after reasonable enquiry to be subject to a contractual, legal or fiduciary obligation for the benefit of another party; or (iv) the other Parties have consented, in writing, to disclose such information prior to such disclosure.
- 12.3. Clause 12.1 shall not apply if and to the extent that (i) any disclosure (including but not limited to any announcement, circular or other submission or notification) concerning the transaction contemplated hereunder is required pursuant to requirement or request (as the case may be) under the Listing Rules or by other supervisory, regulatory or governmental body (including The Stock Exchange of Hong Kong Limited) having jurisdiction over a Party or its holding company, whether or not the requirement has the force of law; and (ii) any disclosure to any holding companies, professional advisers, consultants and bankers of any Group Company or any Party provided that the recipient party shall remain liable for compliance with the obligations of confidentiality under Clause 12.1.

## **13. COSTS AND TAXES**

- 13.1. Unless otherwise provided in this Agreement or agreed by the Parties, subject to Clause 13.2, each Party shall pay its own costs of and incidental to this Agreement and the sale and purchase of the Sale Shares and the assignment of the Sale Loan contemplated

herein.

- 13.2. All stamp duty (if any) payable on the sale and purchase of the Sale Shares, the assignment of the Sale Loan and all transactions contemplated under this Agreement and the Loan Assignment Deed shall be borne in equal shares by the Vendor on the one hand and the Purchaser on the other hand.
- 13.3. Each of the Parties shall be responsible for its own tax liabilities (including but not limited to withholding tax, profit tax and/or capital gain tax) arising from or in connection with the sale and purchase of the Sale Shares and the assignment of the Sale Loan and other transaction cost contemplated under this Agreement, unless otherwise provided in this Agreement.

#### **14. GENERAL**

- 14.1. The Purchaser hereby acknowledges that the Vendor's Solicitors are the solicitors acting for the Vendor and the Guarantor only in respect of this Agreement, the other Transaction Documents to which Vendor and/or the Guarantor is/are a party (parties) and the transactions contemplated hereunder and thereunder and that the Purchaser has been recommended to instruct its own solicitors to provide independent legal advice to it in relation to this Agreement, the other Transaction Documents to which the Purchaser is/are a party and the transactions contemplated hereunder and thereunder.
- 14.2. Time shall in every respect be of the essence in this Agreement.
- 14.3. This Agreement shall be binding on and enure for the benefit of the successors and permitted assigns of each of the Parties. No Party may assign or transfer its rights or obligations under this Agreement without the prior written consent of the other Parties which consent shall not be unreasonably withheld or delayed.
- 14.4. This Agreement (together with any documents referred to herein or executed contemporaneously by the Parties in connection herewith) constitutes the entire agreement and embody all the terms and conditions agreed between the Parties as to the subject matter hereof and replaces and supersedes in all respects all prior negotiations, representations, previous letters of intent, correspondence, understanding, agreements, undertakings and arrangements between the Parties with respect to the subject matter hereof, whether written or oral.
- 14.5. All of the provisions of this Agreement shall remain in full force and effect notwithstanding the Completion.
- 14.6. If any provision or part of a provision of this Agreement shall be, or be found by any authority or court of competent jurisdiction to be, invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions or parts of such provisions of this Agreement, all of which shall remain in full force and effect.
- 14.7. No failure of any Party to exercise, and no delay or forbearance in exercising, any right or remedy in respect of any provision of this Agreement shall operate as a waiver of such right or remedy.

- 14.8. Upon and after the Completion, the Vendor and the Purchaser shall do and execute, or procure to be done and executed, all such further acts, deeds, documents and things as may be necessary to give effect to the terms of this Agreement and to place control of the Sale Shares in the hands of the Purchaser.
- 14.9. This Agreement may be executed in one or more counterparts, but shall not be effective until each Party has executed at least one counterpart and each such counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same instrument.
- 14.10. No variation of this Agreement shall be effective unless made in writing and signed by each of the Parties.
- 14.11. A person who is not a party to this Agreement has no rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any of its terms.

## **15. NOTICES AND PROCESS AGENT**

- 15.1. Each notice, demand or other communication given or made under this Agreement shall be in writing, with the subject matter set out below specified and delivered or sent to the relevant Party at its address set out below (or such other address as the addressee has by five (5) Business Days' prior written notice specified to the other Parties):

<b>To</b>	<b>the Vendor</b>	<b>Total Partner Holdings Limited</b>
	Address	8/F., Tower A, 83 King Lam Street, Cheung Sha Wan, Kowloon, Hong Kong
	Email	<a href="mailto:williamlyk@nwcl.com.hk">williamlyk@nwcl.com.hk</a> / <a href="mailto:ericachin@nwcl.com.hk">ericachin@nwcl.com.hk</a>
	Attention	Mr. Lam Yee Kwun William / Ms. Erica Chin
	Subject	Sale and purchase – Sky Treasure Development Limited
<b>To</b>	<b>the Guarantor</b>	<b>New World Development Company Limited</b>
	Address	30/F, New World Tower, 18 Queen’s Road Central, Hong Kong
	Attention	Mr. Wong Man Hoi
	Subject	Sale and purchase – Sky Treasure Development Limited
<b>To</b>	<b>the Purchaser</b>	<b>Shine Through Holdings Limited</b>
	Address	32/F, New World Tower, 18 Queen’s Road Central, Hong Kong
	Email	<a href="mailto:klau@ctfe.com">klau@ctfe.com</a> / <a href="mailto:legalnotices@ctfe.com">legalnotices@ctfe.com</a>

Attention                    Mr. Kenneth Lau / Legal Department

Subject                      Sale and purchase – Sky Treasure Development Limited

Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered if given or made by letter, when actually delivered to the relevant address.

- 15.2. The Purchaser irrevocably appoints the CTF Transactions Limited as its process agent to receive on its behalf service of process in any proceedings in Hong Kong. Service upon the process agent shall be deemed to be good service upon the Purchaser so long as it is served on the process agent whose name and present address are set out below

<u>Party</u>	<u>Process Agent</u>	<u>Address</u>
The Purchaser	CTF Transactions Limited	32/F, New World Tower, 16-18 Queen's Road Central, Hong Kong

If for any reason the process agent ceases to be able to act as process agent, or no longer has an address in Hong Kong, the Purchaser irrevocably agrees to appoint a substitute process agent with an address in Hong Kong acceptable to the other Parties and to deliver to the other Parties a copy of the substitute process agent's acceptance of that appointment within twenty (20) Business Days. In the event that the Purchaser fails to appoint a substitute process agent, it shall be effective service for the other Parties to serve the process upon the last known address in Hong Kong of the last known process agent for that the Purchaser notified to the other Parties, notwithstanding that such process agent is no longer found at such address or has ceased to act.

## **16. GOVERNING LAW AND JURISDICTION**

- 16.1. This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong.
- 16.2. Subject to Clause 16.3, any dispute, controversy or claim arising out or relating to this Agreement, or the breach, termination or invalidity thereof, shall be settled by final and binding arbitration in accordance with the UNCITRAL Arbitration Rules as at present in force and as may be amended by the rest of this Clause. The appointing body shall be the HKIAC. The place of arbitration shall be in Hong Kong at HKIAC. The tribunal for any arbitration shall consist of three (3) arbitrators with the Vendor and the Guarantor collectively having the right to appoint one (1) arbitrator, the Purchaser having the right to appoint one (1) arbitrator and the third arbitrator shall be appointed by the Secretary General of HKIAC. The language to be used in the arbitral proceedings shall be English.
- 16.3. The Parties agree that irreparable damage would occur in the event that any of the terms of this Agreement were not performed by a Party in accordance with their specific terms or were otherwise breached by a Party. The Parties accordingly agree that in addition to

any other remedy to which a Party is entitled at law or in equity, each Party is entitled to injunctive relief to prevent breaches of this Agreement by the other Party and otherwise to enforce specifically the terms of this Agreement against the other Party. Each Party expressly waives any requirement that the other Party obtain any bond or provide any indemnity in connection with any action seeking injunctive relief or specific enforcement of the terms of this Agreement. In such event, notwithstanding Clause 16.2, the Parties irrevocably submit to the non-exclusive jurisdiction of the Hong Kong courts for the purpose of enforcing any claim arising hereunder.

*[remainder of the page intentionally left blank]*

**SCHEDULE 1**

**PARTICULARS OF THE GROUP AND THE PROPERTY**

**PART A  
DETAILS OF THE COMPANY**

Name: Sky Treasure Development Limited 天得發展有限公司

Unique Business Identifier: 65869768

Place of Incorporation: Hong Kong

Date of Incorporation: 11 March 2016

Registered Office: 32/F, New World Tower, 18 Queen's Road Central, Hong Kong

Issued Capital: HK\$10.00 comprising 10 issued ordinary shares

Shareholder:  
(immediately prior to Completion)

<u>Name</u>	<u>No. of Shares</u>
Shine Through Holdings Limited	7
Total Partner Holdings Limited	3

Directors: Tsang On Yip Patrick

Cheng Chi Him

Lau Fu Keung

Company Secretary: Lai Sau Cheong Simon

Auditors: PricewaterhouseCoopers

Financial Year End Date: 30 June



**PART B**

**DETAILS OF THE SUBSIDIARY**

Name: 深圳天得房地產開發有限公司 (Shenzhen Tiande Real Estate Development Company)

Type of Organisation: 有限責任公司 (台港澳法人獨資)

Place of Establishment: PRC

Date of Establishment: 27 October 2016

Registered Office: 深圳市前海深港合作區南山街道樞紐大街 66 號前海周大福金融大廈 2501-01

Business Registration Number: 91440300MA5DN8RQXN

Registered Capital: RMB4.53 billion

Total Investment: RMB8.3 billion

Directors: 黃少媚  
陳耀豪  
梁國強

Legal Representative and general manager: 呂會才

Supervisor: 胡凱欣

Auditors: 深圳普天會計師事務所有限公司

Financial Year End Date: 31 December

**PART C**

**DETAILS OF THE BRANCH COMPANY OF THE SUBSIDIARY**

Name: 深圳天得房地產開發有限公司深圳分公司(Shenzhen Tiande Real Estate Development Company, Shenzhen Branch)

Type of Organisation: branch company

Place of Establishment: PRC

Business Registration Number: 91440300MA5G9B0F2L

Date of Establishment: 2 July 2020

Registered Office: 深圳市前海深港合作區南山街道月亮灣大道與桂灣三路交匯處建工苑 s6-3

Responsible person: 吕会才

**PART D**

**DETAILS OF THE PROPERTY**

A 43-storey office building including 3-storey fire protection layer and 5-storey retail shopping mall, and car parks located at No. 66 Shuniu Avenue, Nanshan Subdistrict, Shenzhen Qianhai Shenzhen-Hong Kong Cooperation Zone, Shenzhen, the PRC.

## **SCHEDULE 2**

### **WARRANTIES**

#### **1. Corporate Matters**

- (a) Each Group Company is duly incorporated or established, validly existing and in good standing (or equivalent status in the relevant jurisdiction) under, or by virtue of, the laws of the jurisdiction of its incorporation or establishment. Each Group Company has all the requisite legal and corporate power and authority to own, lease and operate its properties and assets and to carry on its business as now conducted, and is duly qualified to transact business in each jurisdiction in which it now transacts its business.
- (b) The statutory books and registers of each Group Company have been kept in accordance with applicable law, are true and accurate and are up to date and are in its possession or under the control of the relevant Group Company or its company secretarial service provider or registered office provider in accordance with applicable law, and no notice or allegation that any of them is incorrect or should be rectified has been received.
- (c) All resolutions, annual returns and other documents required to be delivered to the companies registry of the relevant jurisdiction by each Group Company have been properly prepared and duly filed.
- (d) Each Group Company has kept and duly made up all requisite books of account, minutes book, registers and records and these and all other deeds and documents (properly stamped and/or notarised where necessary) belonging to or which ought to be in the possession of each Group Company and its seal are in the possession of the relevant Group Company.
- (e) The minute books of directors' meetings and of shareholders' meetings respectively contain accurate records of resolution passed by the directors and the shareholders respectively of each Group Company.

#### **2. Compliance with Legal Requirements**

- (a) Compliance has been made with all legal and filing requirements and other formalities in connection with each Group Company concerning:
  - (a) its Articles of Association or other constitutional documents (including all resolutions passed or purported to have been passed required by law to be attached to them);
  - (b) the filing of all documents required by the Companies Ordinance, the Company Law of the PRC or other appropriate legislation to be filed with the Registrar of Companies of Hong Kong, the company registration authority in the PRC or other appropriate regulatory bodies;

- (c) issues of shares;
  - (d) its directors and other officers;
  - (e) any transactions to which it is or has been a party before Completion.
- (b) Each Group Company has conducted its business and affairs in compliance with all applicable laws, rules, regulations, guidelines and all applicable financial record keeping and reporting requirements.
- (c) Each Group Company has not entered into any material transaction which is still executory and which is or may be unenforceable by reason of the transaction being voidable at the instance of any other party or ultra vires, void or illegal.
- (d) Each Group Company has not either by itself or vicariously committed any breach of or failed to observe any applicable laws, rules or regulations nor is being subject to any investigation, action, suit, proceedings by any statutory or regulatory body in Hong Kong, the PRC or elsewhere, and no such actions, suits or proceedings are threatened or contemplated.

### **3. Accounts**

- (a) All the accounts, ledgers and other financial records of each Group Company which are in respect of the seven (7) years prior to Completion and required to be kept by law have been properly kept and are in the possession of such Group Company.
- (b) The Audited Accounts give a true and fair view of the state of affairs and financial position of the Group at the Accounts Date and of the Group's results for the financial year ended on the Account Date.
- (c) The Management Accounts give a true and fair view of the state of affairs and financial position of the Group at 31 May 2024 and of the Group's results for the period from 1 April 2023 to 31 May 2024. The Management Accounts were prepared in accordance with (i) the same accounting and valuation policies, principles, bases and methods applied on a consistent basis as used in preparing the Audited Accounts and (ii) the Accounting Principles and other applicable requirements of the Companies Ordinance save and except that no revaluation of the Property has been carried out. The Management Accounts were not affected by any unusual or non-recurring items which were not disclosed as such in the Management Accounts.
- (d) The Completion Accounts will give a true and fair view of the state of affairs and financial position of the Group at the Completion Date and of the Group's results for the period from 1 April 2023 to the Completion Date. The Completion Accounts will be prepared in accordance with (i) the same accounting and valuation policies, principles, bases and methods applied on a consistent basis as used in preparing the Management Accounts and (ii) the Accounting Principles and other applicable requirements of the Companies Ordinance save and except that no revaluation of the Property will be carried out. The Completion Accounts

will not be affected by any unusual or non-recurring items which are not disclosed as such in the Completion Accounts.

- (e) Save as disclosed in the Audited Accounts and/or the Management Accounts and/or the Completion Account, the Group Companies have no capital commitment and are not engaged in any scheme or project requiring the expenditure of capital.
- (f) The Group Companies do not have any material liability (actual or contingent) which is not or will not be shown or noted or otherwise specifically provided for in the Audited Accounts, the Management Accounts or the Completion Account.

#### **4. Financials**

- (a) Save as Disclosed and save for the Definitive and Coordination Agreements, the Existing Finance Documents and the New Finance Documents, there are no outstanding, nor will there be outstanding at Completion, any material agreement, undertaking or commitment (whether in writing or otherwise) to which any Group Company is party or by which any Group Company or any of its assets is bound and which is in effect, has not been completed, from which the Group Company has not been released or discharged or in relation to which any Group Company has subsisting or contingent liability.
- (b) Save as contemplated under the Existing Finance Documents and the New Finance Documents, no charges, rights of security or third party rights of any kind whatsoever have been created or agreed to be created or permitted to arise over any of the assets of the Group Company (other than the Property).
- (c) Save for the Definitive and Coordination Agreements, the Existing Finance Documents, the New Finance Documents and save as Disclosed, none of the Group Companies is a party to and none of them have any liability (present or future) under any outstanding loan agreement, guarantee or indemnity.
- (d) Other than the Subsidiary, the Company has no shareholding or other equity interest in any other company, partnership, firm or other entity. Other than its branch company, the Subsidiary has no shareholding or other equity interest in any other company, partnership, firm or other entity.

#### **5. Business and Assets**

Since the Accounts Date:-

- (a) the business of the Group Companies has been carried on in the ordinary and usual course and substantially in the same manner (including nature and scope) as in the past, and save as shown in the Management Accounts or the Completion Accounts, no material fixed asset or stock has been written up nor any debt written off;
- (b) save as shown in the Management Accounts or the Completion Accounts and save

as Disclosed, no unusual or abnormal contract for an amount or consideration exceeding RMB5 million (or its equivalent) has been entered into by any of the Group Companies without the prior written consent of the Purchaser;

- (c) save as Disclosed, there has been no material adverse change in the financial condition, earnings, business, assets or prospects of the Group Companies taken as a whole, provided that any changes that generally affect the industry and market in which the relevant Group Company operates and any changes in financial markets, general economic conditions (including prevailing interest rates and exchange rates) or political conditions shall not be considered in determining whether there has been such material adverse change;
- (d) the financial year end date of each Group Company has remained to be 31 March;
- (e) so far as the Vendor is aware and save as Disclosed, no event has occurred which would entitle any third party (with or without the giving of notice) to call for the repayment of indebtedness owing by any Group Company prior to its normal maturity date;
- (f) there has been no deterioration in the values of any of the fixed assets (other than the Property) of the Group such that the market value of any such fixed asset is less than the value attributed to it in the Management Accounts or the Completion Accounts and no fixed asset of the Group has been revalued;
- (g) save for the final determination and settlement of liabilities owing by the Group pursuant to the development and construction contracts which shall only be determined and settled after completion of the relevant works and project, the Group has paid its creditors within the times agreed with them;
- (h) no dividend or other distribution of profits or assets has been or agreed to be declared, made or paid by any Group Company; and
- (i) up to the date of this Agreement, no event has occurred which gives rise to Taxation to the Group on deemed (as opposed to actual) income, profits or gains or which results in the Group becoming liable to pay or bear a Taxation liability directly or primarily chargeable against or attributable to another person.

## **6. Property**

- (a) The details of the Property as set out in Part D of Schedule 1 are true and accurate. Other than the Property set out in Part D of Schedule 1, the Group does not own or lease any other real property.
- (b) The Subsidiary is the sole legal and beneficial owner of the Property. Subject to applicable laws, the Existing Leases and Licences, any tenancies and licences which may be entered into by the Subsidiary after the date of this Agreement, the Existing Finance Documents and the New Finance Documents (if any), the Subsidiary has exclusive, unfettered and vacant possession of the Property to which it relates, there are no other effective options, purchase rights, other rights, agreements, arrangements or commitments of any character relating to any part

of any Property obligating the Subsidiary to sell, lease or otherwise dispose of any part of any Property.

- (c) There are no civil, criminal, arbitration, administrative or other proceeding concerning the Property and none are pending or threatened.
- (d) There is no outstanding judgment, order decree, arbitral award or decision of a court, tribunal, arbitrator or governmental agency affecting the Property.
- (e) Save for the Existing Leases and Licences, any tenancies and licences which may be entered into by the Subsidiary after the date of this Agreement, the Existing Finance Documents and the New Finance Documents, no Group Company has contracted to sell or let or grant any option over, grant and licence for use or occupation or otherwise dispose of its interest in or part with the possession of the Property or any part thereof and has mortgaged, charged or otherwise encumbered such interest or agreed to do so.

## **7. Consequence of Acquisition of the Sale Shares and Sale Loan by the Purchaser**

- (a) The Vendor is not aware of any circumstances that have arisen or will arise as a result of entering into of this Agreement and/or the transactions contemplated thereunder which will cause any Group Company to lose any existing benefit that it has enjoyed prior to the entry of the Agreement or cause any person not to continue to do business with such Group Company as it does prior to the entry of the Agreement.
- (b) Save as Disclosed, the entering into of this Agreement and/or the transactions contemplated thereunder will not result in breach or default in any agreement or arrangement or any order or judgement to which any Group Company is a party or by which it is bound.
- (c) The Vendor is not aware of any circumstances that have arisen or will arise as a result of entering into of this Agreement and/or the transactions contemplated thereunder which will adversely affect the relationship of any Group Company with its client or employees.
- (d) The Vendor is not aware of any circumstances that have arisen or will arise as a result of entering into of this Agreement and/or the transactions contemplated thereunder which will result in the creation or imposition of any Encumbrance on the Property or result in a requirement to repay any indebtedness of any Group Company prior to its maturity or due date.

## **8. Material Contracts**

- (a) As at the date of this Agreement, other than the Material Contracts or otherwise save as Disclosed, no Group Company is a party to any contract that is material to the conduct and operations of the business and properties of the Group Companies taken as a whole.
- (b) Each Group Company has duly performed its obligations under each Material



Contract to the extent that such obligations to perform have accrued.

- (c) Save for the JVA, no Group Company is a party to any outstanding joint venture, consortium, co-operation or partnership agreement which is outside its ordinary course of business.
- (d) Each Material Contract is legally binding on the parties to it in accordance with its terms.

## **9. Default**

- (a) No Group Company is in default or violation in any respect of any approval of any governmental authority and no Group Company has received any notice from any governmental authority regarding any actual default or violation of any such approval. No suspension, cancellation or termination of any such approval is threatened or imminent, and each such approval will not be adversely impacted by the transactions as contemplated by the Transaction Documents and the consummation of such transactions.
- (b) No Group Company has received any written notice that it is in breach or default under any Material Contract which is outstanding. No Group Company is in breach or default under any Material Contract. Save as Disclosed, no Group Company has given written notice to any counterparty to a Material Contract that such counterparty is in breach or default under the relevant Material Contract.
- (c) No Group Company is in breach or default of its constitutional documents.

## **10. Power of Attorney**

Except as contemplated in the Transaction Documents, none of the Group Companies has granted any power of attorney or similar power or authorisation to any other person (including any director or shareholder) in respect of its equity interest, voting rights or substantial assets, other than powers of attorney issued to their directors, officers, attorneys or employees for purpose of executing contracts or agreements or conducting operations for and on behalf of the Group Companies, as the case may be, in the ordinary course of business.

## **11. Taxation**

- (a) Each of the Group Companies has, in respect of all years of assessment since its incorporation, made or caused to be made within the requisite time limits all proper returns, and has supplied or caused to be supplied all information regarding Taxation matters which it is required to make or supply to any revenue authority (wherever situated) and all such information, returns and notices were when given or supplied, and are now, accurate in all material respects and made on a proper basis and are not likely to be the subject of any dispute with any of the relevant authorities concerned.
- (b) As at the date of this Agreement, each Group Company is not subject to any dispute with any revenue authority (wherever situated) and so far as the Vendor

is aware, there is no fact or matter which might result in any such dispute or any liability of any Group Company for Taxation in respect of any period before Completion.

- (c) Each Group Company has duly and timely paid all taxes, and does not and will not have any liability (whether actual, potential, disputed, contingent or otherwise) for Taxation now and up to Completion which has not been provided for in the Management Accounts or the Completion Accounts and there are no facts and circumstances which may give rise to such liability of any Group Company.
- (d) The Group has made all deductions and withholdings in respect, or on account, of any Taxation from any payments made by it which it is obliged or entitled to make and has accounted in full to the appropriate tax authority for all amounts so deducted or withheld.
- (e) As at the date of this Agreement, the Group has not received any notice from any tax authority which required or will require any of them to withhold Taxation from any payment made since the Accounts Date (in respect of which such withheld Taxation has not been accounted for in full to the appropriate authority).

## **12. Litigation**

None of the Group Companies is engaged (whether as plaintiff, defendant or otherwise) in any litigation or arbitration, administrative or criminal or other proceeding and the Vendor is not aware of any litigation or arbitration, administrative or criminal or other proceedings against any Group Company being pending, threatened or expected. So far as the Vendor is aware, there is no fact or circumstances likely to give rise to any such litigation or arbitration, administrative or criminal or other proceedings or to any proceedings against any director or officer (past or present) of any Group Company in respect of any act or default for which any Group Company might be vicariously liable. There are no unfulfilled or unsatisfied judgments, court orders or tribunal or arbitral awards outstanding against any Group Company and no distress, execution or process has been levied on any Group Company. There are no past or current, threatened or pending, criminal actions, proceedings or investigations concerning directors, managers or employees of any Group Company which relate to the business of the Group.

### **12A. Insolvency relating to the Group**

- (a) There are no circumstances which require or would enable any insolvency proceedings to be commenced in respect of any Group Company or any part of its assets or undertaking.
- (b) No Group Company has stopped or suspended payment of its debts, become unable to pay its debts or otherwise become insolvent in any relevant jurisdiction.
- (c) No Group Company has entered into any compromise or arrangement with its creditors or any class of its creditors generally.

### **13. Licenses and consents**

Each Group Companies have obtained all registrations, licences and consents necessary to own their respective assets and for the carrying on of their respective business, and all such registrations, licences and consents are valid and subsisting and are in full force and effect.

### **14. Intellectual Property**

Save as Disclosed or in relation to the proposed trademark of “Qianhai CTF Financial Tower 前海周大福金融大厦”, none of the Group Companies has acquired any of the following intellectual property in any jurisdiction and none of the Group Companies has used and needs to use any of the following intellectual property in any jurisdiction for the carrying on of its business:-

- (a) patents, trade marks, service marks, registered designs, applications for any of those rights, trade and business names (including internet domain names and e-mail address names), unregistered trade marks and service marks, copyrights, database rights, know-how, rights in designs and inventions;
- (b) rights under licences, consents, orders, statutes or otherwise in relation to a right in paragraph (a) above; and
- (c) rights of the same or similar effect or nature as or to those in paragraphs (a) and (b) above.

### **15. Employment Matters**

- (a) Each Group Company has complied with its obligations to its employees and former employees, including obligations under applicable laws, agreement, terms and conditions of employment, orders and awards relevant to their conditions of services.
- (b) No Group Company has received any outstanding claims in writing from any of the current or former employees (including any secondees) of any of the Group Companies for any damages or other relief, including but not limited to monetary compensation, or reinstatement of employment on the grounds of wrongful termination of their employment.
- (c) In respect of any and all individual income tax, housing fund and social security in relation to the employees, each of the Group Companies is not in non-compliance with any requirement under applicable laws, including (but not limited to) withholding and contribution requirements. Other than the statutory social insurance plans and the housing fund plan operated under the applicable laws, each Group Company has no liability for any payment to any trust or fund governed by or maintained by or on behalf of any governmental authority with respect to unemployment compensation benefits, social security or social insurance, housing or other benefits or obligations for employees.
- (d) No circumstances have arisen under which any Group Company is required to

pay, or is likely to be required to pay, damages in relation to the dismissal of or to reinstate or re-engage any former employee other than any statutory entitlements.

- (e) No Group Company is a party to or has any share option schemes, share incentive schemes or any agreement, arrangement or other scheme (whether or not legally enforceable) for profit sharing or for the payment to employees of bonuses or incentive payments or the like (which for the avoidance of doubt, other than cash bonuses, cash payments and payments pursuant to employment contracts).
- (f) All contracts of service to which any Group Company is a party (including service agreements or contracts between any Group Company and any of its directors) can be terminated by it without payment of compensation (save as provided by legislation) by not more than six months' notice.
- (g) Other than (i) agreements in connection with the usual course of business of the Group Companies (ii) the development and construction related contracts and agreements for which the provision of services or the relevant works have been completed and (iii) employment contracts, no subsisting service agreement for consideration or amount above RMB5 million has been entered into by each Group Company and save for disclosed in the Management Accounts or the Completion Accounts, no outstanding service fee is payable by each Group Company under such service agreement.
- (h) All payments to non-corporate consultants and/or contractors with which agreements have been entered into by any Group Company have been properly reported and recorded.

## **16. Insurance**

- (a) Valid policies of insurance have been or will be effected and maintained for the benefit of the Group Companies as at the date of this Agreement and at all time up to and including the Completion Date, in relation to the Property. All premium due in respect of such policies of insurance have been or will have been paid in full and all the other conditions of the said policies have been or will have been performed and observed in full.
- (b) So far as the Vendor is aware, no claim is outstanding either by the insurer or the insured under any of the said policies and no claim against any Group Company by any third party is outstanding in respect of any risk covered by any of the policies or by any policy previously held by the Group Companies.
- (c) No event or omission has occurred and nothing has been done or omitted to be done whereby any of such insurance policies is or may become void or voidable or which is likely to lead to an increase in premium and as at the date of this Agreement, there is no claim outstanding under any such policy.
- (d) As at the date of this Agreement, no event has occurred whereby a claim has been or may have to be notified or made under any of such insurance policies.

- (e) None of the said policies is subject to any special or unusual terms or restrictions or to the payment of any premium in excess of the usual rate.

**17. Environmental Matters**

- (a) As far as the Vendor is aware, none of the Group Companies has received any notice for prosecution against it for breaches of any pollution or environmental laws or regulations, including those in relation to the Property or any part thereof.
- (b) Each Group Company is conducting, and has during the past three years conducted, its business in compliance with the relevant environmental law applicable to the operation of its business.
- (c) All material environmental permits have been obtained, are in force and have been complied with.

**18. Capacity of the Vendor**

- (a) Subject to the obtaining of the approval referred to in Clause 5.1, the Vendor has full power to enter into this Agreement and to exercise its rights and perform its obligations hereunder and (where relevant) all corporate and other actions required to authorise its execution of this Agreement and its performance of its obligations hereunder have been duly taken and this Agreement will, when executed by it, be a legal, valid and binding agreement on it and enforceable in accordance with the terms hereof.
- (b) Subject to the obtaining of the approval referred to in Clause 5.1, the execution, delivery and performance of this Agreement by the Vendor do not and will not violate in any material respect any provision of (i) any law or regulation or any order or decree of any governmental authority, agency or court of Hong Kong and the PRC prevailing as at the date of this Agreement; or (ii) the laws and documents incorporating and constituting it prevailing as at the date of this Agreement.
- (c) No consent, licence, approval or authorisation of or filing or registration with or other requirement of any governmental department, authority or agency in Hong Kong or in the PRC or elsewhere (but except the approval referred to in Clause 5.1 and any post-Completion obligations) is required of the Vendor in connection with the valid execution, delivery or performance of this Agreement by it (or for ensuring the validity or enforceability thereof).
- (d) Save for the approval referred to in Clause 5.1, all necessary approvals or consents from the third parties required by the Vendor for the consummation of the transactions contemplated herein have been or will be obtained prior to Completion.

**19. Sale Shares and Sale Loan**

- (a) The Sale Shares were duly allotted and issued fully paid, or credited as fully paid in accordance with the articles of association of the Company and in compliance with all relevant laws of the jurisdiction in which the Company was incorporated.

- (b) At Completion, the Sale Shares are free from all Encumbrances of whatsoever nature and together with all rights and entitlements attaching thereto.
- (c) The Vendor is the sole legal and beneficial owner of the Sale Shares immediately prior to Completion, and the Sale Shares represent 30% of the issued share capital of the Company, and will have on Completion the right, power and authority to transfer the Sale Shares to the Purchaser free from all Encumbrances without the consent of any third party.
- (d) Immediately prior to Completion, the Sale Loan is duly owing by the Company to the Vendor, unsecured, non-interest bearing and repayable on demand. As at Completion, all rights attached to the Sale Loan are valid, effective, enforceable and subsisting.
- (e) the Vendor is the sole legal and beneficial owner of the Sale Loan immediately prior to Completion and will have on Completion the right, power and authority to assign and transfer the Sale Loan to the Purchaser free from all Encumbrances without the consent of any third party.

## **20. Insolvency in relation to the Vendor**

- (a) No order has been made or resolution passed for the winding up of the Vendor and there is not any outstanding:
  - (i) petition or order for winding up or bankruptcy;
  - (ii) receivership of the whole or any part of its undertaking or assets;
  - (iii) Petition or order for its administration; or
  - (iv) voluntary arrangement between it and any of the Vendor's creditors.
- (b) There are no circumstances which are known to the Vendor which would entitle any person to present a petition for the winding up or administration of it or to appoint a receiver of the whole or any part of its undertakings or assets.
- (c) No distress, execution or other process has been levied against the Vendor or action taken to repossess goods in its possession.

## **21. General**

- (a) All of the information in the Recitals (A), (B), (D) and (F) and Schedule 1 is true, complete and accurate in all respects and not misleading in any respect whether by omission or otherwise.
- (b) All information (other than Pro Forma Accounts) supplied or disclosed by or on behalf of the Vendor and any Group Company to the Purchaser for the purposes of the transactions contemplated under this Agreement is true and accurate in all respects and not misleading.

- (c) All information about the Group, the Sale Shares and the Sale Loan which may reasonably have been expected to affect the decision of the Purchaser (acting reasonably) to enter into this Agreement or cause the Purchaser (acting reasonably) to reduce its assessment of the value of the Group, the Sale Shares and the Sale Loan or cause it (acting reasonably) to seek additional contractual obligations from the Vendor, have already been disclosed to the Purchaser prior to the date of this Agreement.

*[remainder of the page intentionally left blank]*

IN WITNESS WHEREOF this Agreement has been duly executed by the Parties on the day and year first above written.

**The Vendor**

SIGNED by

Huang Shomei, Echo

on behalf of

**TOTAL PARTNER HOLDINGS LIMITED**

in the presence of:

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For and on behalf of  
**TOTAL PARTNER HOLDINGS LIMITED**

  
.....  
*Authorised Signature(s)*



Joanne Tam



**The Guarantor**

SEALED with the Common Seal of  
**NEW WORLD DEVELOPMENT  
COMPANY LIMITED**

(新世界發展有限公司)

and SIGNED by **Sitt Nam Hoi**

and **Wong Man Hoi**

in the presence of:



**CHAN Chung Yee, Joyce**

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**The Purchaser**

SIGNED by TSANG On Yip Patrick )

on behalf of )  
**SHINE THROUGH HOLDINGS** )  
**LIMITED** )

in the presence of: )

