

SALE AND PURCHASE AGREEMENT

between

Sonic Holdings I Limited

and

R&F Properties (HK) Company Limited

in respect of

Sonic Holdings II Limited

Dated as of December 6, 2021

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## SALE AND PURCHASE AGREEMENT

THIS SALE AND PURCHASE AGREEMENT (this “Agreement”), dated as of December 6, 2021 (the “Signing Date”), is made by and amongst:

- (i) R&F Properties (HK) Company Limited, a company established under the Laws of Hong Kong with its registered number of 991910, and with its registered address at the offices of Room 6303, The Center, No. 99 Queen’s Road Central, Hong Kong (the “Seller”); and
- (ii) Sonic Holdings I Limited, an exempted company established under the Laws of the Cayman Islands with limited liability, with its registered number of OG-366561, and with its registered address at the offices of Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands (the “Purchaser”, together with the Seller, the “Parties” and each a “Party”).

WHEREAS, the Purchaser, the Seller and Sonic Holdings II Limited (an exempted company established under the Laws of the Cayman Islands with limited liability, with its registered number of OG-366562, and with its registered address at the offices of Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands, the “Target Company”), together with other parties thereto, executed a merger agreement dated November 9, 2020 (as amended by a deed of amendment dated January 18, 2021, and as may be further amended, supplemented or otherwise modified from time to time, the “Merger Agreement”), pursuant to which the Target Company merged with a wholly-owned subsidiary of the Seller (the “Merger”) on January 19, 2021 (the “Merger Completion Date”) and survived the Merger with 30% of its share capital held by the Seller and 70% of its share capital held by the Purchaser immediately following such Merger;

WHEREAS, on the Merger Completion Date, the Purchaser, the Seller and the Target Company executed (i) a shareholders deed (the “Shareholders Deed”), which sets out corporate government rights of, transfer restrictions of and certain other arrangements between the Parties in respect of their interests in the Target Company, and (ii) an interest-free facilities agreement (the “IFL Agreement”), pursuant to which the Seller has extended a shareholder loan to the Target Company in an aggregate amount of RMB21,455,689 as of the Signing Date;

WHEREAS, as at the Signing Date, the Seller is the sole beneficial and legal owner of 30 ordinary shares of par value USD0.01 (the “Share”) of the Target Company (representing 30% of its total issued and outstanding share capital as of the Signing Date, the “Equity Interests”), and the Purchaser is the sole beneficial and legal owner of 70 Shares of the Target Company (representing 70% of its total issued and outstanding share capital as of the Signing Date);

WHEREAS, as at the Signing Date, the Target Company, via its wholly-owned subsidiaries, owns certain Facilities (as defined below) and underlying Land-Use-Rights (as defined below) relating to the logistics properties located in Huadu District of Guangzhou, the PRC, details of which are set out in Schedule 2 (the “Properties”).

WHEREAS, the Seller desires to sell to the Purchaser, and the Purchaser desires to purchase from the Seller, the Equity Interests pursuant to the terms and conditions set forth herein, so that upon Closing (as defined below), the Purchaser shall become the sole beneficial

and legal owner of 100 Shares of the Target Company (representing 100% of the Target Company's total issued and outstanding share capital), and the Seller shall cease to hold any Shares in the Target Company.

NOW, THEREFORE, in consideration of the foregoing and the mutual promises, covenants and agreements of the Parties contained herein, the Parties agree as follows:

## ARTICLE I

### Definitions and Interpretations

#### SECTION 1.1. Definitions.

The following terms shall have the following meanings for purposes of this Agreement:

“Action” means litigations, arbitration, hearings, proceedings, investigations, claims made in writing, or demands in writing (in each case, civil, criminal, administrative, arbitral or otherwise).

“Affiliate” of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. “Affiliates” and “Affiliated” shall have correlative meanings. For the purpose of this definition, the term “control” (including with correlative meanings, the terms “controlling”, “controlled by” and “under common control with”), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise; provided that, under this Agreement the Purchaser shall not be considered an Affiliate of the Seller and vice versa, and each of the Group Companies shall not be considered an Affiliate of the Seller, but Fuli ListCo shall be considered as an Affiliate of the Seller.

“Agreed Claims” has such meaning ascribed to it under Section 6.2(e)(iii) of this Agreement.

“Agreement” has such meaning ascribed to it under the Preamble of this Agreement.

“Airport Logistics” means 广州富力国际空港综合物流园有限公司 (translated as “Guangzhou R&F International Airport Integrated Logistics Park Co., Ltd.”), a company established under the Laws of PRC with unified social credit code of 914401017994492896.

“Anti-Corruption Laws” means any anti-bribery or anti-corruption Laws of any jurisdiction in which the Seller and the Group Companies perform business, or the United States of America, or the United Kingdom, including but not limited to the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, 2010, the Anti-Unfair Competition Law of the PRC (《中华人民共和国反不正当竞争法》), the Criminal Law of the PRC (《中华人民共和国刑法》), and all national and international Laws enacted to implement the OECD Convention on Combating Bribery of Foreign Officials in International Business Transactions.

“Applicable Laws” means, in respect of any Person, any laws, rules, regulations, directives, treaties, decrees or orders of any Government Authority that are applicable to and binding on such Person.

“Applicable Policies” has such meaning ascribed to it under Schedule 3 of this Agreement.

“Approval” means any approval, authorization, or consent required to be obtained from the relevant Government Authorities under Applicable Laws.

“Bloomberg Rate” means the exchange rate of USD to HKD posted on a Bloomberg terminal (ticker USD to HKD) at 17:00 (Beijing Time) on the relevant date.

“Board of Directors” means the board of directors of the Target Company.

“Bulletin 7” means the Announcement of the State Administration of Taxation on Several Issues Relating to Enterprise Income Tax on Gains from Indirect Transfer of Assets by Non-resident Enterprises (State Administration of Taxation Gong Gao [2015] No. 7) (《国家税务总局关于非居民企业间接转让财产企业所得税若干问题的公告》(国家税务总局公告2015年第7号)), issued by the PRC State Administration of Taxation on February 3, 2015, as from time to time amended, modified or supplemented, including any of its successor rules or regulations or such other rules regarding the Tax treatment of the direct or indirect transfer of any PRC taxable interest under Applicable Laws in the PRC by any non-PRC resident Person.

“Bulletin 7 Assessed Tax Amount for Closing Payment” has such meaning ascribed to it under Section 2.2(c)(ii)(A) of this Agreement.

“Bulletin 7 Estimated Tax Reserve” has such meaning ascribed to it under Section 5.7 of this Agreement.

“Bulletin 7 Final Assessed Tax Amount” means the assessed amount of Bulletin 7 Tax in respect of the Final Purchase Price issued by the relevant Government Authority in the PRC.

“Bulletin 7 Prepaid Estimated Tax Reserve” means an amount equal to RMB45,000,000, which the Parties acknowledge and agree is an existing amount already paid by the Purchaser into the Joint Account as of the date of this Agreement and forms part of the Bulletin 7 Estimated Tax Reserve and shall be reduced in accordance with Section 2.2(c)(ii)(C)(if applicable).

“Bulletin 7 Remaining Estimated Tax Reserve” has such meaning ascribed to it under Section 2.2(e)(ii) of this Agreement.

“Bulletin 7 Tax” has such meaning ascribed to it under Section 5.3(a)(iii) of this Agreement.

“Business Day” means a day other than Saturday, Sunday, any day on which banks with business license located in the PRC, Cayman Islands, Singapore, Hong Kong and New York are authorized or obligated to close, or any public holiday authorized by the State Council of the PRC.

“Cayman Subs” means Luxuriant Return Limited, Macro High Limited and Rosy Praise Limited.

“China Business Day” means a day other than any public holiday authorized by the State Council of the PRC.

“Closing” has such meaning ascribed to it under Section 2.3(a) of this Agreement.

“Closing Conditions Precedent” means the Seller’s Closing Conditions Precedent and the Purchaser’s Closing Conditions Precedent.

“Closing Date” has such meaning ascribed to it under Section 2.3(a) of this Agreement.

“Closing Date Balance Sheet” has the meaning ascribed to it under Section 2.2(d)(i) of this Agreement.

“Closing Payment” has such meaning ascribed to it under Section 2.2(c)(i) of this Agreement.

“Confidential Information” means, other than information developed independently by or on behalf of an Affiliate of a Party, (a) any information concerning the organization, business, technology, trade secrets, know-how, finance, transactions or affairs of any Party or any Party’s Representatives (whether conveyed in written, oral or in any other form and whether such information has been furnished before, on or after the Signing Date), (b) any information or materials prepared by a Party or its Representatives that contains or otherwise reflects, or is generated from, the information set forth in the foregoing (a), and (c) the Transaction Documents, the transactions contemplated thereby, the terms and conditions thereunder or any discussions, correspondence or other communications among the Parties to any Transaction Documents or their respective Representatives relating to the Transaction Documents or any of the transactions contemplated thereunder.

“Cut-off Time” has the meaning ascribed to it under Section 2.2(d)(i) of this Agreement.

“De Minimis” has the meaning ascribed to it under Section 6.2(d)(i) of this Agreement.

“Debt Financing” means the borrowing of funds by the Target Company from the Debt Financing Banks as contemplated under the Debt Financing Facility Agreement.

“Debt Financing Banks” means China Merchants Bank Co., Ltd., Shanghai Branch and other lenders as set out in Schedule 1 of the Debt Financing Facility Agreement and their successors and assignees.

“Debt Financing Facility Agreement” means the facility agreement dated January 14, 2021 entered into by, among others, the Target Company and Debt Financing Banks, as amended and supplemented from time to time (with reference number of ZE01201201).



“Deductible” has the meaning ascribed to it under Section 6.2(d)(i) of this Agreement.

“Deed of Release” means the deed of release to be entered into by China Merchants Bank Co., Ltd., Shanghai Branch as security agent for and on behalf of the Debt Financing Banks on or before the Closing Date to release the share charge granted by the Seller over the Equity Interests to secure the Target Company’s obligation under the Debt Financing Facility Agreement.

“Deposit” means an amount equal to US\$10,000,000.

“Dingfu” means 广州鼎富商业运营有限公司 (translated as “Guangzhou Dingfu Business Operation Co., Ltd.”), a company established under the Laws of PRC with unified social credit code of 91440101MA9UUDJ6X8.

“Direct Claim” has such meaning ascribed to it under Section 6.2(e)(iii) of this Agreement.

“Direct Claim Notice” has such meaning ascribed to it under Section 6.2(e)(iii) of this Agreement.

“Disputed Amounts” has such meaning ascribed to it under Section 2.2(d)(iv) of this Agreement.

“Disputed Items” has such meaning ascribed to it under Section 2.2(d)(iii) of this Agreement.

“Dormitory Buildings” means the eight dormitory buildings numbered Z1 to Z8 erected on the Huawei 38mu Land as of the Signing Date.

“Encumbrances” means any security interest, mortgage, charge, pledge, lien, right of first refusal, pre-emptive right, or other similar right or interest.

“Equity Interests” has such meaning ascribed to it under the Recitals of this Agreement.

“Escrow Account” has such meaning ascribed to it under Section 2.2(b)(i) of this Agreement.

“Escrow Agent” means Intertrust Escrow (Asia) Limited.

“Escrow Agreement” means the agreement to be entered into by and among the Purchaser, the Seller and the Escrow Agent in relation to the holding and release of the Deposit and other funds, as amended, supplemented or otherwise modified from time to time.

“Facilities” means all the facilities located on the Target Land Parcel.

“Facilities Awaiting Title Certificates” means the Facilities numbered “A5-A8, B3-B6, C1-C4, P2-P4 and the logistics building (后勤楼)”, the construction of which has been completed as of the Signing Date but which have not acquired the Real Estate Ownership Certificates issued by the Land Authority evidencing ownership of such Facilities. For the

avoidance of doubt, Facilities Awaiting Title Certificates does not include the Dormitory Buildings as of the Signing Date.

“Final Closing Statement” has the meaning ascribed to it under Section 2.2(d)(i) of this Agreement.

“Final NAV” has the meaning ascribed to it under Section 2.2(d)(i) of this Agreement.

“Final Purchase Price” has the meaning ascribed to it under Section 2.2(a) of this Agreement.

“Fuli ListCo” means Guangzhou R&F Properties Co., Ltd. (广州富力地产股份有限公司), a company established under the Laws of the PRC with unified social credit code of 91440101190548279L, and the sole shareholder of the Seller.

“Fundamental Representation” means the Seller’s Fundamental Representations and the Purchaser’s Fundamental Representations.

“Government Authority” means any: (a) nation, (b) government or political subdivision thereof, (c) governmental authority of any nation, province, state, municipality, district or local or any other nature, including any ministry, commission, department, management committee, branch, division or functional department of any government, (d) self-regulated organization, stock exchange, or other non-governmental regulatory authority or quasi-governmental authority, or (e) any court, tribunal or arbitrator, and any international public organization and any company, businesses, enterprise, or other entities owned or controlled by the above Government Authorities, in each case, to the extent that the rules, regulations or orders of such organization or authority have the force of Law.

“Government Official” means (a) officers, employees and other persons working in an official capacity on behalf of any branch of a government (e.g., legislative, executive, judicial, Law, military or public institutions, including hospitals and universities) at any level (e.g., local, county, provincial or central) or any department or agency thereof, (b) political party officials and candidates for political office, (c) directors, officers and employees of wholly or partially state-owned, state-controlled or state-operated enterprises and (d) officers, employees and other persons working in an official capacity on behalf of any public international organization (e.g., United Nations or the World Bank). For the avoidance of doubt, the above categories shall exclude any members of the National Committee of the Chinese People’s Political Consultative Conference.

“Government Order” means any order, writ, judgment, injunction, decree, stipulation, determination or award entered by or with any Government Authority.

“Group Companies” means, collectively, the Target Company and its Subsidiaries, including each of the Operating Subsidiaries, and “Group Company” shall mean any one of them.

“HKD” means Hong Kong Dollars, the lawful currency of Hong Kong.

“HKFRS” means the Hong Kong Financial Reporting Standard published by The Hong Kong Institute of Certified Public Accountants.

“HKIAC” has such meaning ascribed to it under Section 6.8 of this Agreement.

“HK Subs” means Rising Verse Limited, Pleasant Vision Limited and Holly Fortune Limited.

“Holdback Amount” has such meaning ascribed to it under Section 2.2(e)(i) of this Agreement.

“Holdback Amount Conditions” has such meaning ascribed to it under Section 2.2(e)(i) of this Agreement.

“Holdback Amount Payment Date” has such meaning ascribed to it under Section 2.2(e)(i) of this Agreement.

“Hong Kong” means the Hong Kong Special Administrative Region of the People’s Republic of China.

“Huadu MNR Clarification Letter” has such meaning ascribed to it under Section 2.2(e)(i)(C) of this Agreement.

“Huawei” means 广州市华维装饰材料有限公司 (translated as “Guangzhou Huawei Decoration Material Co., Ltd.”), a company established under the Laws of the PRC with unified social credit code of 914401017994492896.

“Huawei 38mu Land” means the Target Land Parcel owned by Huawei, on which Facilities numbered Z1 to Z8 have been constructed as of the Signing Date, the particulars of which are set forth in Schedule 2.

“Huawei 200mu Land” means the Target Land Parcel owned by Huawei, on which Facilities numbered B3 to B6 have been constructed as of the Signing Date, the particulars of which are set forth in Schedule 2.

“IFL Agreement” has such meaning ascribed to it under the Recitals of this Agreement.

“IFL Amendment Agreement” means the amended and restated IFL Agreement entered into by the Parties as at the Signing Date and to take effect on the Closing Date.

“IFRS” means the International Financial Reporting Standards issued by the International Accounting Standards Board.

“Indemnification Cap” has the meaning ascribed to it under Section 6.2(d)(ii) of this Agreement.

“Indemnified Party” means the Purchaser Indemnified Party and the Seller Indemnified Party.

“Indemnifying Party” means the Purchaser Indemnifying Party and the Seller Indemnifying Party.

“Instrument of Transfer” means the instrument of transfer to be entered into by the Seller and the Purchaser for the Equity Interests in the form set out in Schedule 6.

“Joint Account” means the account with the Joint Account Bank in the name of the Seller, which is subject to the joint control of the Purchaser and the Seller pursuant to the Joint Account Agreement, the particulars of which are:

Account Name:	R&F Properties (HK) Company Limited
Account Number:	USD: 3119 3327 RMB: 3119 3311
SWIFT Code:	CMBCHKHH
Beneficiary’s Bank Name:	China Merchants Bank Co., Ltd., Hong Kong Branch
Beneficiary’s Bank Address:	31/F, Three Exchange Square, 8 Connaught Place, Central, Hong Kong

“Joint Account Agreement” means the escrow agreement dated December 23, 2020, by and among the Parties and the Joint Account Bank, as amended, supplemented or otherwise modified from time to time.

“Joint Account Bank” means China Merchants Bank Co., Ltd., Hong Kong Branch.

“Joint Account Pledge Agreement” means the security agreement dated December 23, 2020, between the Parties, pursuant to which all the cash in the Joint Account shall be pledged in favor of the Purchaser under the terms and conditions therein.

“Joint Account Pledge Amendment Deed” means the amendment deed to the Joint Account Pledge Agreement entered into by the Parties as of the Signing Date and to take effect as of the Closing Date.

“Land Authority” means the Bureau of Land Resources and Housing Administration of Guangzhou or the Bureau of State-owned Land Resources and Planning Committee of Guangzhou and their branches at each district and county of Guangzhou, the PRC.

“Land-Use-Right” means, in respect of the Properties, all land use rights in respect of such Properties, as set forth in the Real Estate Ownership Certificates.

“Law” means, any laws, rules, regulations, treaties, decrees or orders of any Government Authority.

“Liabilities” means any and all indebtedness, liabilities and obligations, whether accrued or fixed, recorded or not, absolute or contingent, matured or immature or determined or determinable, including those relating to Taxes.

“ListCo 200mu Land” means the Target Land Parcel owned by Dingfu with completed Facilities numbered C1 to C4 being erected thereon as of the Signing Date, the details of which are set forth in Schedule 2 of this Agreement.

“ListCo 290mu Land” means the Target Land Parcel owned by Airport Logistics with completed Facilities numbered A5 to A8 being erected thereon as of the Signing Date, the details of which are set forth in Schedule 2 of this Agreement.

“Logistics 157mu Land” means the Target Land Parcel owned by Airport Logistics, with completed Facilities numbered “A5, A6 and A8” being erected thereon as of the Signing Date, the details of which are set forth in Schedule 2 of this Agreement.

“Long Stop Date” means December 31, 2021, or such later date as the Purchaser and the Seller may negotiate in good faith and agree in writing from time to time.

“Losses” means any and all losses, Liabilities, obligations, damages, deficiencies, Actions, interest, penalties, expenses, judgments or settlements (including all reasonable and documented costs and expenses related thereto, including reasonable attorneys’ fees and disbursements, amounts paid in settlement of an Action, expenses of investigation and any direct loss of rental income); provided that, in no event shall Losses include any punitive, indirect or consequential damages (including any indirect loss of rental income and any damages based on any type of multiple) except to the extent the same are directly incurred by an Indemnified Party in connection with a Third-Party Claim.

“Management Forecast Pro-forma Consolidated Balance Sheet” has such meaning ascribed to it under Schedule 3 of this Agreement.

“Material Adverse Effect” means any fact, circumstance, event, occurrence, change or effect that, individually or when taken in the aggregate with all other fact, circumstance, event, occurrence, change or effect: (a) has, or would reasonably be expected to have, a material adverse effect on: (i) the ability of the Seller to consummate the transactions contemplated under this Agreement; (ii) the business, results of operations, assets, Liabilities or condition (financial or otherwise) of the Group Companies (taken as a whole); or (iii) the business and results of operation from the use of the Properties by each of the Operating Subsidiaries for logistics and/or warehouse use; it being understood and agreed that, in the case of the foregoing (ii) and (iii), if such fact, circumstance, event, occurrence, change or effect, in the aggregate, has, to the extent quantifiable, resulted, or would reasonably be expected to result, in a Loss or Liability to the Purchaser or one or more of the Group Companies exceeding RMB328,500,000 (or its foreign currency equivalent), such fact, circumstance, event, occurrence, change or effect shall be deemed to be a Material Adverse Effect (and any Loss or Liability at or below RMB328,500,000 (or its foreign currency equivalent) on its own would not be deemed to be a Material Adverse Effect); or (b) (i) results or is reasonably likely to result in damage or contamination to any of the Properties or any part thereof which requires or could reasonably be expected to require the costs for rectification, reinstatement or restoration work or other Loss in excess of RMB328,500,000 (or its foreign currency equivalent), or (ii) involves an Action by a Government Authority, or a notice by a Government Authority to any Party or Group Company to resume or acquire land or constructed floor area thereon having a value representing RMB328,500,000 (or its foreign currency equivalent); provided, however, that no fact, circumstance, event, occurrence, change or effect (including the escalation or worsening of any of the same), arising out of or attributable to the following shall be deemed to be or be taken into account in determining whether a Material Adverse Effect has occurred (unless, in the case of prongs (A), (B), (C), (D), (E), (F) and (G), such fact, circumstance, event, occurrence, change or effect has had a disproportionate adverse impact on the Properties and/or the Group Companies (taken as a whole) as compared to other companies in the same industry in which the Group Companies operate): (A) general changes or conditions in the PRC, Hong Kong or international economic and political conditions; (B) general changes or conditions in the industries in which the Group Companies operate; (C) any changes in financial, banking or securities markets in general, including any disruption thereof and any decline in the price of any security or any market index or any change in prevailing interest rates; (D) acts of war

(whether or not declared), armed hostilities or terrorism; (E) any natural or man-made disaster or other acts of God; (F) any epidemics, pandemics, disease outbreaks, or other public health emergencies (including the COVID-19 virus); (G) any changes in Applicable Laws or changes in the PRC GAAP, HKFRS, IFRS or other applicable principles; (H) any failure by the Group Companies to meet any internal or published projections, forecasts or revenue or earnings predictions (provided that, the underlying causes of such failures (subject to the other provisions of this definition) shall not be excluded); (I) any action taken by the Seller, any Group Company or any of their respective Affiliates as expressly required by this Agreement or with the Purchaser's written consent or at the Purchaser's written request or direction; (J) the announcement, pendency or completion of the transactions contemplated hereunder or other announcement in accordance with Section 6.4; or (K) the acts or omissions of the Purchaser or its Affiliates.

“Merger” has such meaning ascribed to it under the Recitals of this Agreement.

“Merger Agreement” has such meaning ascribed to it under the Recitals of this Agreement.

“Merger Completion Date” has such meaning ascribed to it under the Recitals of this Agreement.

“Money Laundering Laws” means all anti-money laundering Laws of all jurisdictions in which any of the Group Companies conducts their business or owns assets, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Government Authority, and the United States of America, including but not limited to the applicable financial recordkeeping and reporting requirements of the Anti-Money Laundering Law of the PRC (《中华人民共和国反洗钱法》), the U.S. Currency and Foreign Transaction Reporting Act of 1970, as amended, and the U.S. Money Laundering Control Act of 1986, as amended.

“NAV” has such meaning ascribed to it under Schedule 3 of this Agreement.

“Objection Notice” has such meaning ascribed to it under Section 6.2(e)(iii) of this Agreement.

“Objection Period” has such meaning ascribed to it under Section 6.2(e)(iii) of this Agreement.

“Operating Subsidiaries” means Airport Logistics, Huawei and Dingfu.

“Party” or “Parties” has such meaning ascribed to it under the Preamble of this Agreement.

“PBOC Rate” means the middle exchange rate of USD/HKD to RMB published on the website of the People's Bank of China at <http://www.pbc.gov.cn/zhengcehuobisi/125207/125217/125925/index.html> (or its successor website) before 17:00 (Beijing time) on the relevant day.

“Permit” means any permit, license, authorization, and consent issued by a Government Authority.

“Permitted Encumbrance” shall mean the share charge over the Equity Interests to secure the Target Company’s obligations under the Debt Financing Facility Agreement.

“Person” means an individual, firm, corporation, partnership, association, limited liability company, trust or estate or any other entity or organization whether or not having separate legal existence, including any Government Authority.

“PRC” means the People’s Republic of China, solely for purposes of this Agreement, excluding Hong Kong, the Macau Special Administrative Region and Taiwan.

“PRC GAAP” means the generally recognized accounting principles in the PRC.

“Properties” has such meaning ascribed to it under the Recitals of this Agreement.

“Property Value” means the value of the Properties agreed by the Parties, being RMB7,300,000,000.

“Purchaser” has such meaning ascribed to it under the Preamble of this Agreement.

“Purchaser Indemnified Parties” has such meaning ascribed to it under Section 6.2(b) of this Agreement.

“Purchaser Indemnifying Party” means the Purchaser against whom a claim is asserted under Section 6.2(c) by a Seller Indemnified Party.

“Purchaser’s Closing Conditions Precedent” has such meaning ascribed to it under Section 2.5.

“Purchaser’s Fundamental Representations” means the Purchaser’s representations and warranties under Section 4.1 and Section 4.2.

“Put Option Deed” means the put option deed dated January 19, 2021, among the Seller, the Purchaser, and each of the HK Subs.

“Put Option Termination Deed” means the deed entered into by the Seller and the Purchaser as of the Signing Date to terminate the Put Option Deed effective as of the Closing Date.

“R&F Directors” has such meaning ascribed to it under Section 2.3(b)(iv).

“Real Estate Ownership Certificates” means the official certificates approved and issued by the competent Government Authority regarding the Properties, which evidences the full and complete ownership of Land-Use-Right and Facilities.

“Records” means statutory books and registers, all common seals and company chops, certificate of incorporation, articles of association, business licenses, permits, and other books, contracts and records of the Group Companies.

“Relevant Facilities” means the facilities listed in the Facilities Awaiting Title Certificates, but excluding logistics building (后勤楼), ancillary structures, such as equipment rooms (设备室), ramps (坡道), platform (平台), guard room (门卫室).

“Representatives” means, with respect to any Person, any and all directors, managers, executives, officers, employees, agents, Affiliates, principals, owners, partners (general or limited), members, legal and financial advisers, accountants, and consultants of such Person or its Affiliates.

“Review Period” has such meaning ascribed to it under Section 2.2(d)(iii) of this Agreement.

“RMB” means Renminbi, the lawful currency of the PRC.

“Sanctioned Jurisdiction” means any country or region that is the subject or target of a comprehensive embargo under Sanctions Laws (including Cuba, Iran, North Korea, Syria and the Crimea region of the Ukraine, as may be amended from time to time).

“Sanctioned Person” means any individual, entity or vessel that is the subject or target of sanctions under Sanctions Laws, including: (a) any individual, entity or vessel listed on any US, Chinese or other sanctions-related restricted party list (including the List of Specially Designated Nationals and Blocked Persons by the US Department of the Treasury’s Office of Foreign Assets Control (OFAC)); (b) any entity with 50% or more of its equity interests owned or otherwise controlled by an individual or entity described in paragraph (a) above; or (c) any national of a Sanctioned Jurisdiction (excluding any such national that has taken up permanent residence outside the relevant Sanctioned Jurisdiction).

“Sanctions Laws” means all economic or financial sanctions Laws, measures or embargoes administered or enforced by the United States (including the U.S. Department of the Treasury or the U.S. Department of State), China, or any other relevant sanctions Government Authority.

“Second Deed of Amendment to Merger Agreement” means the deed entered into by the Seller, the Purchaser and the Target Company as of the Signing Date to amend the Merger Agreement effective as of the Closing Date.

“Seller” has such meaning ascribed to it under the Preamble of this Agreement.

“Seller Bank Account” means the offshore bank account for the receipt of the relevant payments to the Seller under this Agreement, the particulars of which are:

Account Name: R&F Properties (HK) Company Limited  
Account Number: 015-514-68-02614-5 SSA USD  
SWIFT Code: BEASHKHH  
Beneficiary’s Bank Name: The Bank of East Asia Limited  
Beneficiary’s Bank Address: 10 Des Voeux Road Central, Hong Kong

“Seller Indemnified Parties” has the meaning ascribed to it under Section 6.2(c) of this Agreement.



“Seller Indemnifying Party” means the Seller against whom a claim is asserted under Section 6.2(b) by a Purchaser Indemnified Party.

“Seller Shareholding Ratio” means 30%.

“Seller’s Closing Conditions Precedent” has such meaning ascribed to it under Section 2.4 of this Agreement.

“Seller’s Disagreement Notice” has such meaning ascribed to it under Section 2.2(d)(iii) of this Agreement.

“Seller’s Fundamental Representations” means the Seller’s representations and warranties under Section 3.1, Section 3.2 and Section 3.3.

“Seller’s Knowledge” or “the Knowledge of the Seller” and similar phrases mean the actual knowledge of (a) the directors and senior officers of the Seller; and (b) each representative from the tax, legal, finance, engineering, property management, administrative, human resource, investor relationship departments of the Seller or its Affiliates who has been involved in negotiation of the transactions contemplated under this Agreement.

“SHA Termination Deed” means a termination deed entered into by the Seller and the Purchaser as of the Signing Date to terminate the Shareholders Deed effective as of the Closing Date.

“Share” has such meaning ascribed to it under the Recitals of this Agreement.

“Share Charge Deed” means a deed of share charge executed by the Purchaser and the Seller on the Merger Completion Date where the Equity Interests were pledged in favor of the Purchaser.

“Share Charge Termination Deed” means a termination deed entered into by the Purchaser and the Seller as of the Signing Date to terminate the Share Charge Deed effective as of the Closing Date.

“Shareholders Deed” has such meaning ascribed to it under the Recitals of this Agreement.

“Signing Date” has such meaning ascribed to it under the Preamble of this Agreement.

“Subsidiary” means a Person that is controlled, directly or indirectly, by another Person.

“Target Company” has such meaning ascribed to it under the Recitals of this Agreement.

“Target Land Parcel” means land parcel owned by the Operating Subsidiaries, the particulars of which are set forth in Schedule 2.

“Tax” means any and all fees (including, without limitation, documentation, recording, license and registration fees), taxes (including, but not limited to, income tax, capital gains tax, value added tax, business tax, local surcharges, land appreciation tax, land use tax,

real estate tax, deed tax, and withholding tax), surcharges or stamp duty obligations imposed by or on behalf of a Government Authority, together with any and all penalties, fines, surcharges, additions to tax and interest thereon, whether disputed or not.

“Third-Party Claim” has such meaning ascribed to it under Section 6.2(e)(i) of this Agreement.

“Third-Party Claim Notice” has such meaning ascribed to it under Section 6.2(e)(i) of this Agreement.

“Trademark License Agreement” means the trademark license agreement dated December 30, 2020 among Fuli ListCo and the Operating Subsidiaries.

“Trademark License Termination Agreement” means an agreement entered into by and among Fuli ListCo and the Operating Subsidiaries as of the Signing Date to terminate the Trademark License Agreement effective as of the Closing Date.

“Transaction” means the transactions contemplated under this Agreement;

“Transaction Documents” means this Agreement, the Instrument of Transfer, the Escrow Agreement, the Share Charge Termination Deed, the SHA Termination Deed, the IFL Amendment Agreement, the Joint Account Pledge Amendment Deed, the Put Option Termination Deed, the Trademark License Termination Agreement, the Second Deed of Amendment to the Merger Agreement and any other documents related to the transactions contemplated herein and therein or otherwise designated as a Transaction Document by the Parties in writing.

“Umpire” has such meaning ascribed to it under Section 2.2(d)(iv) of this Agreement.

“USD” means the US Dollar, the lawful currency of the United States of America.

SECTION 1.2. Interpretation. In this Agreement, except to the extent otherwise provided or that the context otherwise requires:

(a) when a reference is made in this Agreement to an Article, Section, or Schedule, such reference is to an Article or Section of, or a Schedule to, this Agreement unless otherwise indicated;

(b) the table of contents, headings and subtitles for this Agreement are for reference purposes only and do not affect in any way the meaning or interpretation of this Agreement;

(c) whenever the words “include”, “includes” or “including” are used in this Agreement, they are deemed to be followed by the words “without limitation”;

(d) the words “written” and “in writing”, when used in this Agreement, include representation or display of words or symbols or other information in a visible form on a tangible medium (e.g. paper) or in an electronic or digital format;

(e) the word “provided”, when used in Article III of this Agreement, refers to documents or information having been provided by Seller to Purchaser, includes Seller uploading, or causing to be uploaded, such information or documents to the electronic data room prior to the Signing Date to which Purchaser has access;

(f) the words “hereof,” “herein” and “hereunder” and words of similar import, when used in this Agreement, refer to this Agreement as a whole and not to any particular provision of this Agreement;

(g) the definitions contained in this Agreement are applicable to the singular as well as the plural forms of such terms;

(h) any Applicable Law defined or referred to herein or in any agreement or instrument that is referred to herein means such Applicable Law as from time to time amended, modified or supplemented, including by succession of comparable successor Applicable Laws;

(i) references to a Person are also to its successors and permitted assigns;

(j) the use of “or” is not intended to be exclusive unless expressly indicated otherwise; and

(k) for the purpose of this Agreement:

(i) whenever this Agreement requires or contemplates the conversion of USD to HKD (or vice versa) in relation to a payment and references “the HKD equivalent of” or “the USD equivalent of”, if the relevant amount is paid by one Party to another Party or other Person, the applicable foreign exchange rate shall be the average exchange rate of the Bloomberg Rate for each of the five (5) Business Days between the tenth (10<sup>th</sup>) Business Day and the sixth (6<sup>th</sup>) Business Day (including both days) prior to the payment date.

(ii) whenever this Agreement requires or contemplates the conversion of RMB, on the one hand, to USD or HKD, on the other hand (or vice versa), in relation to a payment and references “the USD/HKD equivalent of” or “the RMB equivalent of”:

(A) if the relevant amount is the Closing Payment, the applicable foreign exchange rate shall be the average exchange rate of the PBOC Rate for each of the five (5) Business Days between the tenth (10<sup>th</sup>) Business Day and the sixth (6<sup>th</sup>) Business Day (including both days) prior to the Closing Date; or

(B) if the relevant amount is the amount payable by a Party to another Party or other Person (excluding circumstances in item (A) above), the applicable rate shall be the average exchange rate of the PBOC Rate for each of the five (5) Business Days between the tenth (10<sup>th</sup>) Business Day and the sixth (6<sup>th</sup>) Business Day (including both days) prior to the payment date; and

(iii) Except for the circumstances aforementioned in (i) and (ii), whenever this Agreement requires or contemplates the conversion of USD to HKD (or vice versa), or RMB, on the one hand, to USD or HKD, on the other hand (or vice versa), the applicable exchange rate shall be the average exchange rate of the

Bloomberg Rate or the PBOC Rate (as applicable) for each of the five (5) Business Days between the fifth (5<sup>th</sup>) Business Day to the Signing Date (including both days) prior to the Signing Date, respectively.

## ARTICLE II

### Purchase of Equity Interests

#### SECTION 2.1. Purchase and Sale.

At Closing, subject to the terms and conditions of this Agreement, the Seller shall sell and transfer to the Purchaser and the Purchaser shall purchase and accept from the Seller the Equity Interests, free and clear of any Encumbrances other than the Permitted Encumbrance, and together with all rights attaching to them as at Closing (including the right to receive all dividends or distribution declared, made or paid on or after Closing).

#### SECTION 2.2. Purchase Price.

(a) Purchase Price. The aggregate consideration payable by the Purchaser to the Seller for the Equity Interests (the "Final Purchase Price") is determined in accordance with the following:

$$\text{Final Purchase Price} = (A + B + C) \times D$$

Where:

A = Property Value (in RMB)

B = RMB7,657/m<sup>2</sup> × (the aggregate gross floor area in the Real Estate Ownership Certificates of the Relevant Facilities *minus* 427,257 m<sup>2</sup>) (which value may be zero, positive or negative)

C = Final NAV (in RMB)

D = Seller Shareholding Ratio

#### (b) Deposit and Escrow Account.

(i) Within three (3) Business Days after the Signing Date (or such other period agreed by the Seller and the Purchaser), the Seller and the Purchaser shall use reasonable best efforts and cooperate with each other to enter into the Escrow Agreement on terms consistent with this Agreement and otherwise mutually agreed (each Party acting reasonably), whereby the Escrow Agent shall open an offshore escrow account in the name of the Escrow Agent and subject to the joint control of the Purchaser and the Seller (the "Escrow Account"). The deposit, payment and release of the Deposit shall be governed by the Escrow Agreement. The Seller and the Purchaser shall respectively bear 50% of all costs and expenses incurred for the opening and use of the Escrow Account.

(ii) Within two (2) Business Days after the Escrow Agreement is duly executed by the relevant parties and the Escrow Account is opened and active for use, the Purchaser shall pay the Deposit to the Escrow Account in USD.

(iii) At Closing, the Purchaser and the Seller shall jointly instruct the Escrow Agent to release the Deposit to the Seller Bank Account and the interest accrued thereon to the Purchaser, and the Deposit shall be deemed to be applied towards payment of part of the Closing Payment. In the event that this Agreement is terminated prior to Closing, the Deposit and the interest accrued thereon shall be released in accordance with Section 6.1(c).

(c) Closing Payment; and Bulletin 7 Estimated Tax Reserve Arrangements in Respect of Closing Payment.

(i) Closing Payment. At Closing, as payment towards the Final Purchase Price, the Purchaser shall pay RMB1,000,000,000 (the "Closing Payment") to the Seller Bank Account in the following manner:

(A) Parties shall instruct the Escrow Agent to release the Deposit in accordance with Section 2.2(b)(iii); and

(B) Purchaser shall pay to the Seller Bank Account by wire transfer of the USD equivalent of Closing Payment minus the Deposit.

(ii) Bulletin 7 Estimated Tax Reserve Arrangements. On and after the Closing, the Seller and the Purchaser acknowledge that the Bulletin 7 Prepaid Estimated Tax Reserve is held in the Joint Account, and the Seller and Purchaser shall jointly instruct the Joint Account Bank to release such Bulletin 7 Prepaid Estimated Tax Reserve to the Seller Bank Account or to the relevant Government Authority on behalf of the Seller (as applicable) as follows:

(A) within five (5) Business Days after any date on which the Seller shall have delivered to the Purchaser a true and complete copy of a Bulletin 7 Tax assessment in respect of the Closing Payment issued by the relevant Government Authority in the PRC (the "Bulletin 7 Assessed Tax Amount for Closing Payment") (including the bank account details of such Government Authority for the payment of the Bulletin 7 Assessed Tax Amount for Closing Payment), then the Seller and the Purchaser shall instruct the Joint Account Bank to release an amount equal to such Bulletin 7 Assessed Tax Amount for Closing Payment directly to the bank account designated by such Government Authority on behalf of the Seller; provided that, in no event shall the aggregate amounts payable to such Government Authority from the Joint Account under this Section 2.2(c)(ii)(A) exceed the amount of the Bulletin 7 Prepaid Estimated Tax Reserve;

(B) if the Bulletin 7 Assessed Tax Amount for Closing Payment assessed by the relevant Government Authority in the PRC is greater than the amount of the Bulletin 7 Prepaid Estimated Tax Reserve, then the Seller shall be obligated to pay any such remaining difference to the relevant Government Authority in accordance with Section 5.3;

(C) if the Bulletin 7 Assessed Tax Amount for Closing Payment is less than the amount of the Bulletin 7 Prepaid Estimated Tax Reserve, then such difference shall be deemed to form a part of the Bulletin 7 Estimated Tax Reserve (as defined in the Merger Agreement) to be applied in

accordance with the Merger Agreement, and the Bulletin 7 Prepaid Estimated Tax Reserve shall be reduced to be equal to the Bulletin 7 Assessed Tax Amount for Closing Payment accordingly after the Seller (1) has delivered to the Purchaser proper evidence that it has duly made all filings required under Section 5.3 in respect of the Closing Payment and paid the Bulletin 7 Assessed Tax Amount for Closing Payment, and (2) has provided to the Purchaser a true and complete copy of the Tax completion certificate in respect of the Bulletin 7 Assessed Tax Amount for Closing Payment; and

(D) for the avoidance of doubt, the aggregate amounts released from the Joint Account to the relevant Government Authority on behalf of the Seller and/or to the Seller Bank Account under this Section 2.2(c)(ii) shall be equal to (and shall not exceed) the Bulletin 7 Prepaid Estimated Tax Reserve.

(d) Determination of the Final NAV.

(i) Closing Statement. Subject to Section 2.2(d)(ii), as soon as reasonably practicable after the Closing (and in any case no later than sixty (60) days after the Closing (subject to reasonable extensions as may be agreed by the Purchaser and the Seller (acting reasonably)), the Purchaser shall deliver to the Seller (i) the balance sheet of the Target Company in the form set forth in Schedule 5 as at 11:59 p.m. of the China Business Day immediately prior to the Closing Date (the “Cut-off Time”), which shall be a consolidation of management accounts of each of the Group Companies as of the Cut-off Time (the “Closing Date Balance Sheet”), and (ii) a statement of the Group Companies’ NAV as of the Cut-off Time (the “Final NAV”) prepared by a “Big Four” accounting firm in accordance with policies as set out in Schedule 3 and Schedule 4, including relevant calculation and explanations (the “Final Closing Statement”).

(ii) Access. In order for the Seller to prepare the Seller’s Disagreement Notice and during the Review Period, the Purchaser shall, subject to reasonable prior notice, allow the Seller and/or its Representatives during normal office hours to have access to the books and records of the Group Companies relating to periods up to the Closing Date and the Purchaser shall cooperate in good faith and promptly respond to any inquiries raised by the Seller and/or its Representatives during such period, including furnishing all information in its possession or under its control reasonably requested by the Seller and/or its Representatives.

(iii) Examination and Objection. Within twenty (20) Business Days after the delivery by the Purchaser to the Seller of the Final Closing Statement (the “Review Period”), the Seller shall be entitled to review such Final Closing Statement and the Final NAV provided by the Purchaser. On or prior to the last day of the Review Period, the Seller may object to the Final Closing Statement by delivering to the Purchaser a written statement setting forth the Seller’s objections in reasonable detail, indicating each disputed item or amount (the “Disputed Items”) and the basis for the Seller disagreement therewith and, to the extent reasonably practicable, specifying any modifications the Seller proposes be made to the Final Closing Statement and/or the Final NAV (the “Seller’s Disagreement Notice”). If the Seller fails to deliver the Seller’s Disagreement Notice before the expiration of the Review Period, the Final Closing Statement and the Final NAV reflected in the Final Closing Statement shall be final and binding upon the Parties. If the Seller delivers the Seller’s Disagreement

Notice before the expiration of the Review Period, the Seller and the Purchaser shall attempt in good faith to reach an agreement in writing in respect of the Disputed Items within thirty (30) days of delivery of the Seller's Disagreement Notice. If the same are so resolved, the Final Closing Statement with such changes as may have been previously agreed in writing by the Purchaser and the Seller, shall be final, conclusive and binding upon the Parties.

(iv) Resolution of Disputes. If the Seller and the Purchaser fail to reach an agreement with respect to all of the matters set forth in the Seller's Disagreement Notice, then any amounts of the Disputed Items remaining in dispute ("Disputed Amounts"), together with each Party's written position with respect to each Disputed Amount shall be submitted for resolution to a "Big Four" accounting firm (the "Umpire"), which shall resolve the Disputed Amounts and make any corresponding adjustments to the Final Closing Statement in accordance with this Section 2.2(d). The Seller and the Purchaser agree that all adjustments shall be made without regard to materiality.

(v) The Umpire shall be jointly appointed by the Purchaser and the Seller, provided that, neither Party shall unreasonably withhold, condition or delay its consent.

(vi) Except to the extent as otherwise agreed by the Seller and the Purchaser, the Umpire shall be engaged and act on the following basis:

(A) except for procedural matters and unless otherwise provided in this Agreement, for any Disputed Item, the Umpire shall determine only in relation to whether, and if so, what modifications shall be made to the Final Closing Statement;

(B) the Umpire shall review and perform its duties in accordance with the principles set out in Schedule 3 and Schedule 4 and shall not take into account any accounting principles inconsistent with Schedule 3 and Schedule 4;

(C) the Umpire shall make its determination pursuant to this Section 2.2(d) as soon as reasonably practicable but in any event within twenty (20) Business Days after its engagement;

(D) the Umpire's determination procedure shall:

(1) give each of the Seller and the Purchaser a reasonable opportunity to make written or oral submissions to the Umpire;

(2) require each of the Seller and the Purchaser to provide the other Party with a copy of any written submissions to the Umpire; and

(3) permit the Seller and the Purchaser to be present while oral submissions are being made by the other Party to the Umpire.

(E) Save in the event of fraud or manifest error (in which case the relevant part of the decision shall be void and the matter shall be returned to the Umpire for correction), the Umpire shall act as an expert and not as an arbitrator, and its determination in accordance with this Section 2.2(d) shall be final and binding on the Parties with regard to matters within the scope of its jurisdiction under this Section 2.2(d). The Final Closing Statements, adjusted to take account of each Disputed Item as agreed in writing by the Seller and the Purchaser under Section 2.2(d)(iii) and/or as determined by the Umpire under this Section 2.2(d)(vi) (as the case may be), shall constitute the Final Closing Statements and shall be conclusive, final and binding on the Seller and the Purchaser for purposes of this Agreement.

(F) For the avoidance of doubt, the Umpire shall not modify its scope of jurisdiction as stipulated hereunder.

(vii) The determination of the Umpire pursuant to this Section 2.2(d) shall (a) be in writing and be available for collection by the Seller and the Purchaser at the offices of the Umpire, and (b) unless otherwise agreed by the Seller and the Purchaser, include explanations for such determination.

(viii) The fees (including goods and services Tax, VAT or similar Taxes) charged by the Umpire shall be borne pro rata as between the Purchaser on the one hand and the Seller on the other hand, in proportion to the final allocation made by the Umpire of the Disputed Item(s) weighted in relation to the claims made by the Seller and the Purchaser, such that the prevailing Party pays the lesser proportion of such fees and expenses.

(ix) The Seller and the Purchaser shall cooperate and accommodate reasonable requests of the Umpire for the purpose of carrying out its duties under this Agreement. In particular, during the engagement of the Umpire, the Purchaser shall, subject to reasonable prior notice, allow the Seller Representatives and the Umpire access to the books and records of the Group Companies relating to periods up to the Closing Date during normal office hours.

(x) Notwithstanding Section 2.2(d)(ix), nothing in this Section 2.2(d) shall entitle a Party or the Umpire to access to any information or document which is protected by legal professional privilege or litigation privilege, or to the extent it has been prepared by the other Party or its accountants and other professional advisers with a view to assessing the merits of any claim or argument unless appropriate protections are in place to preserve such privilege; provided that, neither the Seller or the Purchaser shall be entitled to refuse to supply such part or parts of documents which do not contain the facts on which the relevant claim or argument giving rise to an assertion of privilege is based.

(xi) Each of the Parties and the Umpire shall, and shall procure its accountants and other professional advisers to, keep all information and documents provided to them pursuant to this Section 2.2(d) confidential and shall not use the same for any purpose other than disclosure or use in connection with the preparation of the Final Closing Statement, the Umpire's determination under this Section 2.2(d) or in defending any claim or argument or alleged claim or argument in connection with this Agreement from any third party; provided that, this restriction shall not apply to any



disclosure required by Applicable Laws or any regulatory body or the rules of any relevant stock exchange.

(e) Holdback Amount; Bulletin 7 Estimated Tax Reserve Arrangements in respect of Holdback Amount.

(i) Holdback Amount. The Parties agree that an aggregate amount equal to the Final Purchase Price minus the Closing Payment (the “Holdback Amount”) shall be held back and released to the Seller after Closing in accordance with this Section 2.2(e). Subject to Section 6.7, if the following conditions precedent (the “Holdback Amount Conditions”) are satisfied (or waived by the Purchaser in writing) by January 18, 2023 (which may be extended by mutual agreement in writing by the Seller and the Purchaser, each acting reasonably), then within six (6) Business Days after all the Holdback Amount Conditions are satisfied or waived (as the case may be) (such date, the “Holdback Amount Payment Date”), the Purchaser shall pay the USD equivalent of the Holdback Amount to the Seller Bank Account:

(A) if the relevant Government Authority in the PRC has issued a notice to assess and request payment of all or part of the Bulletin 7 Final Assessed Tax Amount to the Seller, the Purchaser or any Group Company prior to the satisfaction or waiver of all other Holdback Amount Conditions, the Seller shall have paid any and all applicable Taxes as requested in full and have provided the Purchaser with the relevant payment evidence and Tax completion certificate (in a form satisfactory to the Purchaser) (including the acceptance receipt of the Bulletin 7 documents issued by the relevant PRC Tax Government Authority and the PRC withholding income Tax returns (if any));

(B) Parties shall have agreed on the Bulletin 7 Estimated Tax Reserve in accordance with Section 5.7 of this Agreement (if applicable);

(C) the Seller shall have obtained written confirmation in form and substance reasonably satisfactory to the Purchaser from the Planning and Natural Resources Bureau of Huadu District of Guangzhou (广州市规划和自然资源局花都区分局) addressed to Dingfu and Huawei that the permitted usage of the ListCo 200mu Land and the Huawei 200mu Land shall be as set out in the addendum (附记) of the Real Estate Title Certificates No. Yue (2021) Guangzhou City Real Estate Right No. 08059107(粤(2021)广州市不动产权第 08059107 号) and No. Yue (2021) Guangzhou City Real Estate Right No. 08058090 (粤(2021)广州市不动产权第 08058090 号) respectively (the “Huadu MNR Clarification Letter”); and

(D) all the “Holdback Amount Conditions” as defined in the Merger Agreement have been satisfied in accordance with the required timeline in the Merger Agreement or have been waived by the Purchaser in writing,

provided that, if the Final NAV is not yet determined as of the Holdback Amount Payment Date due to any good faith dispute between the Parties over the Final NAV, then such portion of Holdback Amount that is disputed in good faith shall be paid by the Purchaser into the Joint Account, and Seller and Purchaser shall jointly instruct the Joint Account Bank to release such disputed amount to the relevant Party within six (6)

Business Days after the date when such dispute is resolved in accordance with Section 2.2(d) of this Agreement.

(ii) Bulletin 7 Estimated Tax Reserve Arrangements. In the event that as of the date on which all Holdback Amount Conditions (other than the Holdback Amount Condition in Section 2.2(e)(i)(A)) have been satisfied, the Seller has not yet obtained the Bulletin 7 Final Assessed Tax Amount issued by the relevant Government Authority in the PRC and has not provided the Purchaser with the relevant payment evidence and Tax completion certificate in respect of the full payment of such Bulletin 7 Final Assessed Tax Amount, then a portion of the sum of the Holdback Amount (in USD) equal to the Bulletin 7 Estimated Tax Reserve (or if the relevant Government Authority in the PRC has subsequently issued the Bulletin 7 Final Assessed Tax Amount, an amount equal to the Bulletin 7 Final Assessed Tax Amount) *minus* the Bulletin 7 Assessed Tax Amount for Closing Payment which Seller has provided relevant payment evidence and Tax completion certificate to the Purchaser (such result, the “Bulletin 7 Remaining Estimated Tax Reserve”), shall be paid by the Purchaser to the Joint Account within six (6) Business Days after the date on which all the Holdback Amount Conditions (other than the Holdback Amount Condition in Section 2.2(e)(i)(A)) are satisfied, and the condition provided in Section 2.2(e)(i)(A) shall be deemed satisfied as of the expiry of the above six (6)-Business Day period. The Seller and the Purchaser shall jointly instruct the Joint Account Bank to release such Bulletin 7 Remaining Estimated Tax Reserve to the Seller Bank Account or to the relevant Government Authority on behalf of the Seller (as applicable) in accordance with the provisions of Section 2.2(c)(ii) applied *mutatis mutandis* to the Bulletin 7 Remaining Estimated Tax Reserve, except that for purposes of this Section 2.2(e)(ii), Section 2.2(c)(ii)(C) shall be read as “if the Bulletin 7 Final Assessed Tax Amount is less than the sum of the Bulletin 7 Prepaid Estimated Tax Reserve (as reduced to be equal to the Bulletin 7 Assessed Tax Amount for Closing Payment) and the Bulletin 7 Remaining Estimated Tax Reserve, then the Seller and Purchaser shall instruct the Joint Account Bank to release any such remaining difference to the Seller Bank Account within five (5) Business Days after the Seller has delivered to the Purchaser evidence that it has duly made all filings required under Section 5.3 in respect of the Final Purchase Price and paid all the Bulletin 7 Final Assessed Tax Amount, and provided to the Purchaser a true and complete copy of the Tax completion certificate”.

(f) Evidence of Payment. For the avoidance of doubt, in respect of any payment by the Purchaser in accordance with this Agreement, upon the Purchaser producing a form MT103 issued by the bank thereof to the Seller, the relevant payment obligation of the Purchaser shall be deemed to be fulfilled.

### SECTION 2.3. Closing.

(a) Closing. Subject to the satisfaction and/or waiver by the Purchaser of all the Closing Conditions Precedent set out in Section 2.4, the completion of the Transaction (the “Closing”) shall take place through an electronic exchange of documents on the date (the “Closing Date”) that is the five (5<sup>th</sup>) Business Day following the satisfaction and/or waiver of each of the Closing Conditions Precedent (other than the Closing Conditions Precedent required to be satisfied on the Closing Date) or at such other time and place as the Parties may mutually agree upon in writing. The obligations of the Purchaser under Section 2.3(c) and the Seller under Section 2.3(b) on the Closing are interdependent and, unless otherwise stated, all

actions required to be performed by a Party at the Closing are deemed and taken to have occurred simultaneously at the Closing.

(b) Seller Deliverables at the Closing. On the Closing Date, simultaneously with the Purchaser providing to the Seller a form MT103 issued by the bank evidencing its payment of the Closing Payment, the Seller shall deliver to the Purchaser:

(i) the originals of counterparts of all Transaction Documents duly executed by the Seller or the Seller's relevant Affiliates (including Fuli ListCo), as applicable;

(ii) in respect of the Seller:

(A) a certificate duly executed by the Seller certifying the satisfaction of each of the conditions set forth in Section 2.4(a)(ii) (with respect to any Action commenced against the Seller), Section 2.4(c), Section 2.4(d), and Section 2.4(e) have been satisfied; and

(B) a certified true copy (which certification may be made by a director, officer, the registered agent, corporate secretary or legal counsel of the Seller) of the resolutions of the shareholders and board of directors of the Seller, authorizing and approving the execution and delivery by the Seller of this Agreement and other Transaction Documents to which the Seller is a party and the consummation by the Seller of the transactions contemplated hereby and thereby;

(iii) all Records in respect of the Target Company and each other Group Companies then in possession of the Seller or its Affiliates (if any); provided that, these items will be deemed to be delivered if, on the Closing Date, such items are located at the Properties or are delivered to the property manager as designated by the Purchaser;

(iv) written resignation letters executed by all of the current directors (including alternate directors) of the Target Company (the "R&F Directors") that were appointed by the Seller in form and substance as set forth in Schedule 7;

(v) the originals of the signatures of R&F Directors to the board resolutions of the Target Company, authorizing and approving the transfer of the Equity Interests, the registration of the Purchaser as the holder of the Equity Interests in the register of members of the Target Company upon due execution of the Instrument of Transfer by the Purchaser and the Seller, the cancellation of the share certificate with respect to the Equity Interests in the name of the Seller and the issuance of a new share certificate in respect of the Equity Interests in the name of the Purchaser; and

(vi) a certified true copy of the written shareholders approval of Fuli ListCo signed by Dr. Li Sze Lim and Mr. Zhang Li pursuant to Rule 14.44 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited approving the transactions contemplated under the Merger Agreement, this Agreement and other ancillary documents.

(c) Purchaser Deliverables at Closing. On the Closing Date, simultaneously with the Purchaser providing to the Seller a form MT103 issued by the bank evidencing its payment of the Closing Payment, the Purchaser shall, and shall cause the Target Company and/or its Representatives to, deliver to the Seller:

(i) the original counterparts of the Transaction Documents duly executed by the Purchaser and/or the relevant Group Company, as the case may be;

(ii) a certificate duly signed by the Purchaser, certifying satisfaction of each of the Purchaser's Closing Conditions Precedent set forth in Section 2.5(a)(ii) (with respect to any Action commenced against the Purchaser or any Group Company), Section 2.5(b) and Section 2.5(c) have been satisfied;

(iii) a certified true copy (which certification may be made by the registered agent, corporate secretary or legal counsel of the Purchaser) of the resolutions of the board of directors of the Purchaser, authorizing and approving the execution and delivery by the Purchaser of this Agreement and other Transaction Documents to which the Purchaser is a party and the consummation by the Purchaser of the transactions contemplated hereby and thereby; and

(iv) a certified true copy of the signatures of the Directors (other than the R&F Directors) to the board resolutions of the Target Company, authorizing and approving the transfer of the Equity Interests, the registration of the Purchaser as the holder of the Equity Interests in the register of members of the Target Company upon due execution of the Instrument of Transfer by the Purchaser and the Seller, the cancellation of the share certificate with respect to the Equity Interests in the name of the Seller and the issuance of a new share certificate in respect of the Equity Interests in the name of the Purchaser.

**SECTION 2.4. Seller's Conditions Precedent.** The obligations of the Purchaser to proceed to the Closing shall be subject to the satisfaction (or written waiver by the Purchaser) of the following conditions (each a "Seller's Closing Conditions Precedent") on or prior to the Closing Date (as applicable):

(a) as of the Closing Date, there shall not be (i) in effect any Applicable Laws or any Government Order of any Government Authority having competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby or (ii) any Action commenced or written notification given by any Government Authority against any Party seeking to restrain or materially and adversely alter the Transaction, which renders or is likely to render it impossible or unlawful to consummate the Transaction or which would have a Material Adverse Effect;

(b) as of the Closing Date, there shall not be any mandatory acquisition or expropriation by any Government Authority against the Properties or part thereof, and none of the Seller, its Affiliates or the Group Companies shall have received any written notification of any Government Authority's intention of any compulsory acquisition or expropriation of the Properties or any part thereof;

(c) no Material Adverse Effect shall have occurred which is incapable of being cured or, if curable, is not cured by the earlier of the date which is thirty (30) days after written notice thereof by the Purchaser and the Long Stop Date;

(d) the Seller's Fundamental Representations shall have been true and correct as of the date of this Agreement and shall be true and correct as of the Closing Date as if made on the Closing Date (in each case, except as to such representations and warranties made as of a specific date, which shall have been true and correct as of such date), subject to materiality qualifications (whether by reference to "material" or "Material Adverse Effect" or otherwise) in such representations and warranties; the other representations and warranties made by the Seller in this Agreement shall be true and correct as of the date of this Agreement and shall be true and correct as of the Closing Date as if made on the Closing Date (in each case, except as to such representations and warranties made as of a specific date, which shall have been true and correct as of such date), in each case, in all material respects, without giving effect to any materiality qualifications (whether by reference to "material" or "Material Adverse Effect" or otherwise) in such representations and warranties;

(e) each of the covenants and obligations set forth in this Agreement that the Seller is required to comply with or perform at or prior to the Closing shall have been duly complied with or performed in all material respects;

(f) (i) the Real Estate Ownership Certificates in respect of all the Relevant Facilities (excluding Facilities numbered "A5-A8"), the logistics building (后勤楼) and all ancillary structures (including equipment rooms (设备室), ramps (坡道), platform (平台) and guard room (门卫室)) shall have been obtained; and (ii) the aggregate gross floor area of the Relevant Facilities (excluding Facilities numbered "A5-A8") reflected in such Real Estate Ownership Certificates shall be no less than 364,638 square meters, and the permitted usage in respect of all Facilities mentioned in shall satisfy the requirements for such Facilities as set forth in the Merger Agreement;

(g) the Purchaser shall have not delivered any Call Notice (as defined in the Shareholders Deed) under the Shareholders Deed; and

(h) Fuli ListCo has obtained written shareholders' approval for the transactions contemplated under the Merger Agreement, this Agreement and other ancillary documents pursuant to the applicable requirements under Chapter 14 of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

SECTION 2.5. Purchaser's Conditions Precedent. The obligations of the Seller and to proceed to the Closing shall be subject to the satisfaction (or written waiver by the Seller) of the following conditions (each a "Purchaser's Closing Conditions Precedent") on or prior to the Closing Date (as applicable):

(a) as of the Closing Date, there shall not be (i) in effect any Applicable Laws or any Government Order of any Government Authority having competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby or (ii) any Action commenced or notification given by any Government Authority against any Party seeking to restrain or materially and adversely alter the Transaction, which renders or is likely to render it impossible or unlawful to consummate the Transaction;

(b) (i) the Purchaser's Fundamental Representations shall have been true and correct as of the date of this Agreement and shall be true and correct as of the Closing Date as if made on the Closing Date (in each case, except as to such representations and warranties made as of a specific date, which shall have been true and correct as of such date); and (ii) the other representations and warranties made by the Purchaser in this Agreement shall be true and

correct as of the date of this Agreement and shall be true and correct as of the Closing Date as if made on the Closing Date (in each case, except as to such representations and warranties made as of a specific date, which shall have been true and correct as of such date), in each case, in all material respects, without giving effect to any materiality qualifications (whether by reference to “material” or “Material Adverse Effect” or otherwise) in such representations and warranties; and

(c) each of the covenants and obligations set forth in this Agreement that the Purchaser are required to comply with or perform at or prior to the Closing shall have been duly complied with or performed in all material respects.

#### SECTION 2.6. Fulfillment of Conditions Precedent.

(a) Without prejudice to any other obligation of the Parties under the Transaction Documents, each Party shall use commercially reasonable efforts to satisfy or cause all their respective Closing Conditions Precedent listed in Section 2.4 (which are to be satisfied by the Seller) and Section 2.5 (which are to be satisfied by the Purchaser) to be satisfied as promptly as possible after the Signing Date and before the Long Stop Date, unless such Party’s Closing Conditions Precedent have been waived by the other Party at its sole discretion in writing. Each of the Seller and the Purchaser shall use commercially reasonable efforts and as required by Applicable Laws and Government Authorities, to reasonably assist the other Party in fulfilling the Closing Conditions Precedent in Section 2.4 and Section 2.5, respectively, but only to the extent that such Party’s assistance is reasonably required in order to fulfill such Closing Conditions Precedent.

(b) The Seller shall use commercially reasonable efforts to satisfy or cause all Holdback Amount Conditions listed in Section 2.2(e) to be satisfied, as promptly as possible after the Closing and in accordance with the required timing in this Agreement, unless such Holdback Amount Conditions have been waived by the Purchaser at its sole discretion in writing.

(c) After the Signing Date, the Parties shall cooperate with each other and the Seller shall provide the Purchaser with reasonable assistance to obtain the Huadu MNR Clarification Letter in accordance with Section 2.2(e)(i)(C) of this Agreement and the Applicable Laws as soon as reasonably practicable after the date hereof. The Seller shall, prior to the submission of any filings, applications and similar documentation to any Government Authority in connection with obtaining the Huadu MNR Clarification Letter, provide drafts of such documentation to the Purchaser and shall give Purchaser reasonable time (in no event less than three (3) Business Days) to review such draft documentation and incorporate any reasonable comments from the Purchaser, and it being agreed that the Seller shall have the right to submit such documentation to the Government Authority if no comment is provided by the Purchaser within such three (3) Business Days. The Seller and the Purchaser shall also keep each other promptly and reasonably informed of the progress and status of the application.

(d) Unless otherwise provided in this Agreement or agreed by the Parties in writing, all costs and expenses incurred by the Seller and the Group Companies for satisfaction of all Seller’s Closing Conditions Precedent listed in Section 2.4 and Holdback Amount Conditions listed in Section 2.2(e)(i) (other than the Holdback Amount Condition in Section 2.2(e)(i)(D), which costs shall be borne as specified in the Merger Agreement) shall be borne by the Seller.

(e) In the course of complying with Section 2.6(a), Section 2.6(b) and Section 2.6(c), as applicable, each of the Purchaser and the Seller shall at all times comply with its respective obligations under Section 5.2 and shall keep the other Party promptly and reasonably informed of the progress and status of all Closing Conditions Precedent and/or the Holdback Amount Conditions.

### ARTICLE III

#### Representations and Warranties of the Seller

The Seller hereby represents and warrants to the Purchaser that the statements in this Article III are true and accurate as of the date hereof and as of the Closing Date.

#### SECTION 3.1. Organization, Good Standing and Qualification; Insolvency.

(a) The Seller is a company duly incorporated, validly existing and in good standing under the Laws of its place of establishment and has all requisite corporate power and authority to enter into and to perform its obligations under this Agreement and the other Transaction Documents to which it is or will be a party.

(b) No Government Order has been made or Action commenced or resolutions passed or steps taken by a Person for the winding-up or dissolution of or ending the corporate existence of the Seller, and no circumstance which may reasonably be expected to result in such Government Order, Action, resolutions or steps has arisen. No liquidator, receiver, custodian, sequestrator, manager or any Person in a similar capacity has been appointed in respect of the business or any asset of the Seller, and no circumstance which may reasonably be expected to result in such appointment has arisen. The Seller has not taken and has not proposed to take any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them, has declared or been deemed under Applicable Laws to be insolvent, or has been determined by its shareholders and/or board of directors to be insolvent.

#### SECTION 3.2. Capitalization.

(a) The Equity Interests are legally and beneficially owned by the Seller, free and clear of any and all Encumbrances, save for the share charge dated February 5, 2021 by the Seller and the Purchaser in favor of China Merchants Bank Co., Ltd., Shanghai Branch and the share charge dated January 19, 2021 by the Seller in favor of the Purchaser, each with respect to the Equity Interests.

(b) The Equity Interests are duly authorized, validly issued and fully paid.

(c) (i) There are no option, warrants, convertible securities or other rights, agreements, arrangements or commitments of any character relating to the Equity Interests held by it, or otherwise obligating it to sell any Equity Interests; and (ii) other than the Shareholders Deed, it is not a party to any stockholders agreement, voting trust agreement, proxies or other similar agreements relating to the Equity Interests.

(d) The Seller is a wholly-owned Subsidiary of Fuli ListCo.

SECTION 3.3. Authorization; Governmental Consents; Non-contravention.

(a) The execution and delivery by each of the Seller and any of its Affiliates of this Agreement and other Transaction Documents to which the Seller or any of its Affiliates is a party, and the performance of all its obligations by the Seller and such Seller's Affiliate hereunder and thereunder, have been duly authorized by all necessary corporation actions on the part of such Person. This Agreement and the other Transaction Documents, when duly executed, will constitute legal, valid and binding obligations of the Seller and the relevant Seller's Affiliate, enforceable against the Seller and such Seller's Affiliate, in accordance with the terms hereunder and thereunder, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other Applicable Laws affecting creditors' general rights and (ii) as limited by Applicable Laws to the availability of specific performance, injunctive relief or other equitable remedies.

(b) No Permits, declaration or filing with any Government Authority is required by or with respect to the Seller or any of the Seller's Affiliates in connection with the consummation of the transactions contemplated by this Agreement, except the Tax filings and payment under the Bulletin 7 and other provisions relating to the Bulletin 7 under the Applicable Laws to be made in accordance with this Agreement.

(c) The execution, delivery and performance by each of the Seller and Seller's Affiliates of this Agreement and the other Transaction Documents to which it is a party, and the consummation of the transactions contemplated hereby and thereby, do not and will not (i) violate or conflict with any Applicable Laws or such Person's organizational documents, or (ii) constitute a violation or breach of, be in conflict with, constitute or create (with or without due notice or lapse of time or both) a default of any obligation (or give rise to any right or obligation of termination, modification, cancellation, forfeiture or acceleration relative to such obligation) under any material contract to which the Seller and such Seller's Affiliate is a party or to which the Seller or such Seller's Affiliate (or any of its assets, properties or rights) are bound or (iii) result in creation or imposition of any Encumbrance upon the Seller or the Seller's Affiliates (or any of its properties, rights or assets).

SECTION 3.4. Compliance with Law.

(a) The Seller is not an instrumentality of a government or Government Authority.

(b) None of the Seller's executive officers or directors, or to the Seller's Knowledge, any of its employees or agents, is currently a Government Official, and no Government Official has any direct legal or beneficial interest in the Seller (other than as an ordinary shareholder who has purchased shares through a publicly-traded exchange), in the assets, property or shares of the Seller, or in the proposed transactions contemplated by the Transaction Documents.

(c) Neither the Seller, nor any of its executive officers or directors, or to the Seller's Knowledge, any of its employees or agents acting at its direction, has made or caused to be made, directly or, to the Seller's Knowledge, indirectly, the provision of anything of value (i) to any Government Official or for the use or benefit of any Government Official; (ii) to any other Person either as an advance or reimbursement, with knowledge that any part of such payments would be directly or indirectly given or paid by such other Person, or would reimburse such other Person for payments previously made, to any Government Official; or



(iii) to any other Person, in order to obtain or retain business, or to secure any other improper business advantage, or any other payment in violation of applicable Anti-Corruption Laws.

(d) Any compensation or consideration provided by the Purchaser pursuant to this Agreement is for the Seller's sole benefit and Seller will make no other payments to any other Person on behalf of the Purchaser.

(e) The operations of the Seller and their Affiliates have been conducted at all times in compliance with the Money Laundering Laws.

(f) No proceeding by or before any Government Authority involving the Seller with respect to the Anti-Corruption Laws or the Money Laundering Laws is pending or, to the Seller's Knowledge, is threatened.

(g) None of the Seller, its executive officers or directors, or, to the Seller's Knowledge, its employees is currently a Sanctioned Person or otherwise targeted under Sanctions Laws. The Seller has not participated in any sales or other business activities with a Sanctioned Person, in a Sanctioned Jurisdiction, or otherwise in violation of Sanctions Laws.

(h) The Seller has not used and will not use, directly or, to the Seller's Knowledge, indirectly, any amounts payable under this Agreement to contribute to or finance the activities of any Sanctioned Person or otherwise in violation of Sanctions Laws.

SECTION 3.5. No Agency. None of the Group Companies and the Purchaser will be responsible for, and the Seller has not directly or indirectly made any arrangement which shall cause any Group Companies or the Purchaser to pay, any brokerage, finder's fee or other fee or commission to any broker, finder or investment banker in connection with the Transaction or transactions contemplated under other Transaction Documents (except for any such fees or commissions that have been agreed by the Purchaser in writing).

SECTION 3.6. Full Disclosure.

(a) All factual written information (excluding any internal or published projections, forecasts or revenue or earnings predictions) and documents provided by the Seller or its Affiliates to the Purchaser in connection with the transactions contemplated by this Agreement and other Transaction Documents has been provided in good faith and was, when provided, true, and accurate in all material respects.

(b) All copies or originals (as applicable) of the account books and Records of the Group Companies provided by the Seller or its Representatives to the Purchaser or its Representatives on or before the Closing Date (including all financial statements, statutory accounts, meeting records, lease contracts, licenses, contracts, accounts receivable details, intellectual property rights, list of suppliers and customer lists owned or controlled by the Group Companies) (if any) are true and complete.

SECTION 3.7. No Other Representations. Except for the representations and warranties specifically contained in this Article III (including information disclosed in the Schedules) or the other Transaction Documents, neither the Seller nor any other Person has made or makes any other express or implied representation or warranty, either written or oral, on behalf of the Seller.

## ARTICLE IV

### Representations and Warranties of the Purchaser

The Purchaser hereby represents and warrants to the Seller that the statements in this Article IV are true and accurate as of the date hereof and as of the Closing Date.

SECTION 4.1. Organization, Good Standing and Qualification. The Purchaser is a company duly incorporated, validly existing and in good standing under the Laws of its place of establishment and has all requisite corporate power and authority to enter into and to perform its obligations under this Agreement and the other Transaction Documents to which it is or will be a party.

#### SECTION 4.2. Authorization and Governmental Consents.

(a) The execution and delivery by the Purchaser of this Agreement and other Transaction Documents to which it is or will be a party and the performance of all its obligations hereunder and thereunder have been authorized by all necessary corporate actions on the part of the Purchaser. This Agreement, when executed, constitutes legal, valid and binding obligations of the Purchaser, enforceable against the Purchaser in accordance with the terms hereunder, except (i) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other Applicable Laws affecting creditors' general rights and (ii) as limited by Applicable Laws to the availability of specific performance, injunctive relief or other equitable remedies.

(b) No Permit, declaration or filing with any Government Authority is required by or with respect to the Purchaser in connection with the consummation of the transactions contemplated by this Agreement.

(c) The execution, delivery and performance by the Purchaser of this Agreement and the consummation of the transactions contemplated hereby, do not and will not (i) violate or conflict with any Applicable Laws or such Person's organizational documents, or (ii) constitute a violation or breach of, be in conflict with, constitute or create (with or without due notice or lapse of time or both) a default of any obligation (or give rise to any right or obligation of termination, modification, cancellation, forfeiture or acceleration relative to such obligation) under any material contract or other agreement to which the Purchaser is a party or to which the Purchaser or any of its assets, properties or rights are bound or (iii) result in the creation or imposition of any Encumbrance upon the Purchaser or its properties, rights or assets.

SECTION 4.3. Insolvency. No Government Order has been made or Action commenced or resolutions passed or steps taken by a Person for the winding-up or dissolution of or ending the corporate existence of the Purchaser, and no circumstance which may reasonably be expected to result in such Government Order, Action, resolutions or steps has arisen. No liquidator, receiver, custodian, sequestrator, manager or any Person in a similar capacity has been appointed in respect of the business or any asset of the Purchaser, and no circumstance which may reasonably be expected to result in such appointment has arisen. The Purchaser has not taken and has not proposed to take any steps to implement a scheme of arrangement or other compromise or arrangement with its creditors or any class of them, has declared or been deemed under Applicable Laws to be insolvent, or has been determined by its shareholders and/or board of directors to be insolvent.

SECTION 4.4. Compliance with Law. The funds to be transferred by the Purchaser to the Seller in connection with the Transaction are not proceeds of nor are intended for or being transferred in the furtherance of any illegal activity or activity prohibited by any Applicable Laws.

SECTION 4.5. No Other Representations. The Purchaser acknowledges and agrees that: (a) in making its decision to enter into this Agreement and to consummate the transactions contemplated hereby, it has relied upon its own independent investigation, review and analysis of the Group Companies and the express representations and warranties of the Seller set forth in Article III of this Agreement and the other Transaction Documents.

## ARTICLE V

### Other Agreements

SECTION 5.1. Interim Covenants. From the Signing Date to the Closing Date, unless otherwise expressly provided in this Agreement or other Transaction Documents (including for purposes of satisfying such Party's Closing Conditions Precedent), required by Applicable Laws or with the prior written consent of or at the written direction of the other Party, (i) each of the Parties shall continue to participate in the operation of the Target Company and/or other Group Companies in accordance with Applicable Laws in all material respects and in the ordinary course of business in a manner consistent with past practice before the Signing Date in all material respects; and (ii) Purchaser shall also procure the Group Companies to conduct its operations in the ordinary course of business in a manner consistent with past practice before the Signing Date in all material respects. Without limiting the generality of the foregoing, each Party shall continue to comply with its obligations (and procure that its Affiliates comply with their obligations) under the Merger Agreement and other Transaction Documents (as defined in the Merger Agreement) in all material respects.

### SECTION 5.2. Compliance with Law.

(a) From the Signing Date to the Closing Date, the Seller shall ensure that it, its Affiliates and each of their respective owners, senior management and directors, and the Seller shall use all commercial best efforts (including appropriate internal controls) to procure to the best of its reasonable ability, its employees and agents, comply with all applicable Anti-Corruption Laws, Money Laundering Laws and Sanctions Laws.

(b) The Seller agrees and covenants that, from the Signing Date to the Closing Date, if Seller or any of its management, owner, officer, director or agent becomes a Government Authority or Government Official during the term covered by this Agreement, the Seller shall notify the Purchaser promptly so the Purchaser may, and hereby reserves the right to, take whatever precautions and actions may be appropriate to assure compliance with applicable Anti-Corruption Laws.

(c) The Seller agrees and covenants that, from the Signing Date to the Closing Date, if any Government Official has any association with the Seller, or has any interest in the payment made by the Purchaser to the Seller pursuant to this Agreement, the Seller shall notify the Purchaser promptly so the Purchaser may, and hereby reserves the right to, take whatever precautions and actions as may be appropriate to ensure compliance with applicable Anti-Corruption Laws.

(d) The Seller agrees and covenants that, from the Signing Date to the Closing Date, the Seller shall promptly notify the Purchaser of any actions that violate or potentially violate Anti-Corruption Laws or Money Laundering Laws by Seller and will cooperate with any compliance audit or inquiry by the Purchaser. The Seller shall be liable for any Losses caused to the Purchaser by a violation or potential violation of Anti-Corruption Laws or Money Laundering Laws by Seller or its employees or agents acting at their direction occurring prior to the Closing Date.

(e) The Seller, its management, officers, directors, employees and agents shall comply with all Applicable Laws, including but not limited to Anti-Corruption Laws, during the process of obtaining any Approvals from or making any filings with any Government Authority in connection with the Transaction contemplated under this Agreement (i.e., any part of the matters under this Agreement or performance of any obligation under this Agreement), including for purposes of satisfying the Seller's Closing Conditions Precedent and Holdback Amount Conditions.

### SECTION 5.3. Bulletin 7 Payments.

(a) The Seller shall promptly (and in any event within the time periods prescribed under Applicable Laws) comply with their obligations under Bulletin 7 and any other Applicable Laws in relation to Tax, including to:

(i) report to the relevant Government Authority in the PRC the Transaction within thirty (30) days after the Signing Date;

(ii) file with the relevant Government Authority in the PRC all documents and information required under Applicable Laws or by the relevant PRC Government Authority in relation to the Transaction within thirty (30) days after the Signing Date; and

(iii) after the Closing, pay all Taxes assessed by the relevant PRC Government Authority under Bulletin 7 in connection with the Transaction within the time periods prescribed under Applicable Laws or Tax assessment notice and provide the Purchaser with payment receipts thereof. If the Seller has elected or is required by relevant the PRC Government Authority to assess Taxes payable under Bulletin 7 with respect to the Transaction ("Bulletin 7 Tax") in stages after the receipt of each payment of the Final Purchase Price hereunder, then the Seller shall, after completion of each payment to the Final Purchase Price hereunder, timely (and in any event within the time periods prescribed under Applicable Laws) file a supplementary return with the Government Authority in the PRC, pay the PRC withholding income tax (if applicable), and provide the Purchaser with the Tax returns and Tax payment receipts thereof. For the avoidance of doubt, to the extent permitted by the relevant PRC Government Authority, the Parties agree that the Seller's obligations to pay any assessed Bulletin 7 Tax may be satisfied by the Purchaser and the Seller jointly instructing the Joint Account Bank to release from the Joint Account to the bank account designated by relevant PRC Government Authority the Bulletin 7 Prepaid Estimated Tax Reserve as contemplated under Section 2.2(c)(ii) and the Bulletin 7 Remaining Estimated Tax Reserve as contemplated under Section 2.2(e)(ii).

(b) Subject to Section 5.3(a), the Seller shall:

(i) keep the Purchaser reasonably informed at all times in relation to its compliance with its obligations under Section 5.3(a);

(ii) inform the Purchaser in good faith regarding the timing and venue of its proposed reports and filings made to the relevant PRC Government Authority;

(iii) within five (5) Business Days after complying with each of its obligations under Section 5.3(a), provide the Purchaser with copies of all such reports and filings made to the relevant PRC Government Authority by then to the extent that such information is not confidential information of the Seller or of Fuli ListCo and to the extent as they are mandatorily required under Bulletin 7. It is agreed that “mandatorily required” documents under this Section means, with respect to the Transaction, (1) the report letter for filing of the Bulletin 7 Tax, (2) the receipt of the reporting materials issued by the relevant PRC Government Authorities, (3) the latest financial statements of the Target Company, the Cayman Subs and the HK Subs underneath before such filing, (4) structure chart of the Group Companies immediately before and after of the Transaction, (5) this Agreement, (6) calculation of the consideration of the Transaction, (7) calculation of the Bulletin 7 Tax (including any adjustments), (8) proof of Tax basis for the Transaction and (9) the PRC withholding income Tax return and Tax payment certificate of the Bulletin 7 Tax;

(iv) promptly provide any additional information and documents to the relevant PRC Government Authority in response to any requests from the relevant PRC Government Authority in connection with the reports and filings made under Section 5.3(a) and promptly provide the Purchaser with summaries of the correspondences with the relevant PRC Government Authority in response to such requests to the extent that such correspondences do not contain confidential information of the Seller or Fuli ListCo; and

(v) provide the Purchaser with a copy of the Tax return filed to and stamped by the relevant PRC Government Authority for purposes of Bulletin 7 Tax in relation to the Transaction which shows the assessment of such Bulletin 7 Tax amount by the PRC Government Authority within five (5) Business Days after receipt of such stamped Tax return.

(c) Without limiting the Seller’s obligations in Section 5.3(a) and (b) above or the Purchaser’s remedies under this Agreement, the Purchaser shall have the right to, after the date hereof and in its sole discretion or as required by the relevant PRC Tax authority, perform Bulletin 7 informational reporting of the transactions contemplated by this Agreement to the relevant PRC Tax authority; provided that, the Purchaser shall not make any withholding Tax return filing and payments pursuant to Bulletin 7 unless the Seller fails to comply with its obligations under Section 5.3(a) and (b). Notwithstanding the foregoing, prior to making any filing to the relevant PRC Government Authority, the Purchaser shall inform the Seller in good faith regarding the timing and venue of its proposed filings, and the Purchaser and the Seller shall reasonably cooperate with each other to ensure that their respective Bulletin 7 filings and/or Bulletin 7 informational reporting with the relevant PRC Government Authority are factually accurate.

#### SECTION 5.4. Destruction or Damage; Government Taking.

(a) If prior to the Closing,

(i) the Facilities or Properties (except for those to be demolished pursuant to this Agreement or the Merger Agreement) are destroyed or damaged and the costs for rectification for such destruction or damage involves an amount of RMB328,500,000 or more; or

(ii) a Government Authority issues a notice of its intention to expropriate of all or any part of the Facilities or Properties.

then, the Purchaser may terminate this Agreement by written notice to the Seller no later than ten (10) Business Days after occurrence of any event in Section 5.4(a)(i) or (ii) above, and if the Purchaser elects to terminate this Agreement, neither the Seller nor the Purchaser shall owe any liability to the other Party, except in relation to any breaches which occurred prior to such termination.

(b) If any event mentioned in Section 5.4(a)(i) or (a)(ii) occurs, and the Purchaser does not elect to terminate this Agreement in accordance with Section 5.4(a), then the Parties must proceed to the Closing (subject to the satisfaction or waiver of the Closing Conditions Precedent in accordance with this Agreement), and:

(i) in the case where the events mentioned in Section 5.4(a)(i) occur, the Seller shall allow the Purchaser to receive, as an adjustment to the Final Purchase Price, a portion equal to the insurance proceeds which the Seller is entitled to receive (if any) in respect of the damage to the Facilities or Properties referred to in such clauses; and

(ii) in the case where the event mentioned in Section 5.4(a)(ii) occurs, the Seller shall allow the Purchaser to receive, as an adjustment to the Final Purchase Price, a portion equal to the amount which the Seller is entitled to receive (if any) from the relevant Government Authority in respect of the proposed expropriation in such clauses;

provided that, if the amount of insurance proceeds (in the case of damage to the Facilities or Properties) or the compensation amount from the relevant Government Authority (in the case of expropriation of all or any part of the Facilities or Properties) is paid to (or is payable to) the Group Companies (or the Group Companies are otherwise entitled to receive such amount), then no payment will be made to the Purchaser under this Section 5.4(b) and no adjustment will be made to the Final Purchase Price.

**SECTION 5.5. Notice of Developments.** Prior to the Closing, to the extent either the Seller or the Purchaser becomes aware, such Party shall promptly notify the other Party in writing all events, circumstances, facts and occurrences arising subsequent to the Signing Date which (a) have resulted in any breach of a representation, warranty, covenant or agreement of such Party or its Affiliates in this Agreement or the other Transaction Documents, and/or (b) are reasonably likely to result in any of the Closing Conditions Precedent required to be satisfied by such Party as set forth in Section 2.4 or Section 2.5 (as applicable) not to be satisfied on or prior to the Long Stop Date. For the avoidance of doubt, any notification by such Party to the other Party pursuant to this Section 5.5 shall not prejudice any of such Party's rights and remedies under the Transaction Documents, including the right to bring claims or seek indemnification under Section 6.2.

SECTION 5.6. Cooperation in Obtaining Debt Financing Banks' Consent. The Parties shall use commercially reasonable efforts to cooperate with each other to obtain the Deed of Release duly executed by China Merchants Bank Co., Ltd., Shanghai Branch, prior to Closing (including executing and delivering any customary consent letters, release documents or other documents as may be reasonably requested by the Debt Financing Banks to facilitate the obtaining of the Deed of Release). To the extent such Deed of Release and related matters set forth in this Section 5.6 are not able to be obtained or completed prior to Closing, then on and after the Closing, the Parties shall continue to reasonably cooperate with each other in obtaining or completing the matters set forth in this Section 5.6 as soon as reasonably practicable after the Closing. The Purchaser shall not, and shall cause the Target Company not to, make any claims against the Seller for compensation of any Losses suffered by the Purchaser or the Target Company in connection with any claims by the Debt Financing Banks under the Debt Financing Facility Agreement in respect of the consummation of the transaction under this Agreement. For the avoidance of doubt, the preceding sentence does not apply to Seller's breach of any document in relation to the Debt Financing which is unrelated to the transactions contemplated under this Agreement.

SECTION 5.7. Determination of Bulletin 7 Estimated Tax Reserve. In the event that all Holdback Amount Conditions (other than the Holdback Amount Conditions in Section 2.2(e)(i)(A) and Section 2.2(e)(i)(B)) have been satisfied or waived by the Purchaser, but the relevant Government Authority in the PRC has not issued the Bulletin 7 Final Assessed Tax Amount, Seller shall provide its good faith estimate of the amount of Bulletin 7 Tax payable in respect of the Final Purchase Price ("Bulletin 7 Estimated Tax Reserve"), including relevant calculation, explanation and supporting materials to the Purchaser, and the Purchaser shall be allowed reasonable time (such reasonable time shall not be less than five (5) Business Days) to review. In the event that Purchaser raises any dispute in good faith within the five (5)-Business Day period, Parties shall discuss in good faith and reach an agreement on the Bulletin 7 Estimated Tax Reserve. If the Purchaser did not raise any dispute within such five (5) Business Days period, the Bulletin 7 Estimated Tax Reserve provided by the Seller shall be deemed to be agreed by the Parties.

## ARTICLE VI

### Miscellaneous

#### SECTION 6.1. Termination.

(a) Prior to the Closing, this Agreement and the transactions contemplated by this Agreement shall terminate:

- (i) upon the unanimous written consent of the Parties hereto;
- (ii) by the non-breaching Party upon written notice to the other Party, in the event that any other Party breaches this Agreement in any material respect, and such breach is not cured in a manner reasonably satisfactory to the non-breaching Party by the earlier of (x) the date that is ten (10) days after the non-breaching Party issuing a written notice of such breach to the breaching Party and (y) the Long Stop Date; provided that, such non-breaching Party shall not have the right of termination under this Section 6.1(a)(ii) if the non-breaching Party is in material breach of this Agreement at the time of serving such notice of breach (other than if such material breach by the non-breaching Party was caused by the material breach by the breaching

Party); for the avoidance of doubt, for purposes of this Section 6.1(a)(ii), “material breach” shall include the failure by the Purchaser to pay the Closing Payment to the Seller on the scheduled Closing Date, when the Seller’s Closing Conditions Precedent have otherwise been satisfied or waived by the Purchaser, and the Seller are otherwise ready and willing to proceed to Closing;

(iii) by the Seller or the Purchaser upon written notice to other Parties, in the event that any Purchaser’s Closing Conditions Precedent (in the case of the Seller exercising this termination right) or any Seller’s Closing Conditions Precedent (in the case of the Purchaser exercising this termination right) shall not have been, or if it becomes reasonably apparent that such Closing Condition Precedent will not be, satisfied in time such that the Closing can occur on or before the Long Stop Date; provided that, the Seller or the Purchaser (as applicable) shall not have the right of termination under this Section 6.1(a)(iii) if the failure to satisfy such Closing Condition Precedent is due to any failure by such Party to comply with any of the covenants, agreements or conditions hereof to be performed or complied with by it prior to the Closing;

(iv) by the Purchaser upon written notice to the Seller pursuant to Section 5.4; or

(v) by the Seller or the Purchaser upon written notice to the other Parties, in the event that (A) there is in effect any Applicable Laws or Government Order of any Government Authority having competent jurisdiction restraining, enjoining or otherwise prohibiting the consummation of the transactions contemplated hereby; or (B) any Action commenced by or before any Government Authority against any Party seeking to restrain or materially and adversely alter the transactions contemplated by this Agreement or the other Transaction Documents; provided that, (x) the Seller or the Purchaser (as applicable) shall not have the right of termination under this Section 6.1(a)(v) if the foregoing Government Order or Action is due to any act or omission by such Party, and (y) the Seller or the Purchaser shall not exercise any such termination, if such foregoing event is, if curable, cured within thirty (30) days after the Parties become aware of such event.

(b) Without limiting any Party’s payment obligations under Section 6.1(c) but subject to Section 6.1(d), if this Agreement is terminated pursuant to the provisions of this Section 6.1, then this Agreement shall have no further effect, provided that, no Party hereto shall be relieved of any liability for fraud or antecedent breaches; provided further that, the provisions of this Article VI (other than Section 6.13) and any claims for the aforementioned fraud or antecedent breaches shall survive the expiration or termination of this Agreement.

(c) If this Agreement is terminated prior to the Closing, the Seller and the Purchaser shall jointly instruct the Escrow Agent to apply the balance in the Escrow Account in accordance with the following:

(i) in the case that the Seller terminates this Agreement pursuant to Section 6.1(a)(ii), (A) the Seller and the Purchaser shall promptly jointly instruct the Escrow Agent to release the Deposit (including interest accrued therein, if any), as liquidated damages, from the Escrow Account to the Seller Bank Account, and (B) upon completion of the aforesaid wire transfers, the Seller and the Purchaser shall cooperate with each other to terminate the Escrow Agreement;



(ii) in the case that the Purchaser terminates this Agreement pursuant to Section 6.1(a)(ii), then (A) the Seller shall pay an amount equal to the USD10,000,000 (being an amount equal to the Deposit), as liquidated damages to a bank account designated by the Purchaser, (B) the Seller and the Purchaser shall promptly jointly instruct the Escrow Agent to release the Deposit in the Escrow Account (including interest accrued therein, if any) to a bank account designated by the Purchaser, and (C) upon completion of the aforesaid wire transfers, the Seller and the Purchaser shall cooperate with each other to terminate the Escrow Agreement; and

(iii) in the case that this Agreement is terminated due to any reason not set forth in subsection (i) or (ii) above, the Seller and the Purchaser shall promptly jointly instruct the Escrow Agent to release the Deposit in the Escrow Account (including interest accrued therein, if any) to a bank account designated by the Purchaser. Upon completion of the aforesaid wire transfers, the Seller and the Purchaser shall cooperate with each other to terminate the Escrow Agreement.

(d) Notwithstanding anything to the contrary in this Agreement, the amounts to be paid pursuant to Section 6.1(c)(i) and (c)(ii) shall be the receiving Party's sole and exclusive remedy under Applicable Laws and this Agreement if the Closing does not occur as a result of any default, breach or non-performance by the paying Party or its Affiliates.

## SECTION 6.2. Indemnification.

(a) Survival. Subject to the limitations and other provisions of this Agreement, each of the representations and warranties contained herein shall survive the Closing and shall remain in full force and effect until the date that is eighteen (18) months after the Closing Date; provided however that, the Fundamental Representations shall survive the Closing and remain in full force and effect until the expiration of applicable statutes of limitations. Covenants or other agreements contained in this Agreement that are required to be performed on or prior to the Closing shall survive the Closing Date and shall remain in full force and effect until the date that is eighteen (18) months after the Closing Date; provided that, those covenants and agreements which by their terms contemplate performance after the Closing (including performance beginning prior to the Closing and continuing after Closing) shall survive for the period contemplated by its terms or otherwise until fully performed. Notwithstanding the foregoing, any claims asserted in good faith with reasonable details (to the extent known at such time) by written notice from the non-breaching Party to the breaching Party prior to the expiration date of the applicable survival period shall not thereafter be barred by the expiration of such survival period and such claims shall survive until finally resolved.

(b) Indemnification by Seller. After Closing, subject to the other terms and conditions of this Section 6.2, the Seller shall indemnify, defend and hold harmless the Purchaser, its Affiliates (including the Group Companies) and their respective management personnel, directors, shareholders, employees and Representatives (collectively the "Purchaser Indemnified Parties"), from and against any and all Losses incurred by such Purchaser Indemnified Parties resulting from or arising out of:

(i) any breach of any representation or warranty made by the Seller in this Agreement or in any certificate delivered by or on behalf of the Seller in connection herewith; and

(ii) any breach of any covenant or agreement in this Agreement by the Seller.

For the avoidance of doubt, the Purchaser's awareness of any of the above matters prior to the Closing shall not limit any Purchaser Indemnified Party's right to make a claim in respect of such matter.

(c) Indemnification by Purchaser. After Closing, subject to the other terms and conditions of this Section 6.2, the Purchaser shall indemnify, defend and hold harmless the Seller, its Affiliates and their respective management personnel, directors, shareholders, employees and Representatives (collectively the "Seller Indemnified Parties"), from and against any and all Losses incurred by such Seller Indemnified Parties resulting from or arising out of:

(i) any breach of any representation or warranty made by the Purchaser in this Agreement or in any certificate delivered by or on behalf of such Parties in connection herewith; and

(ii) any breach of any covenant or agreement by the Purchaser in this Agreement.

(d) Limitations on Indemnifications. The Party making a claim under this Section 6.2 is referred to as the "Indemnified Party", and the Party against whom such claims are asserted under this Section 6.2 is referred to as the "Indemnifying Party". The indemnification provided for in this Section 6.2 shall be subject to the following limitations, as applicable:

(i) An Indemnifying Party shall not be liable to the Indemnified Party for indemnification under Section 6.2(b)(i) or Section 6.2(c)(i), as the case may be, until the aggregate amount of all Losses in respect of indemnification under Section 6.2(b)(i) or Section 6.2(c)(i) (whether based on a single claim or several claims) exceeds RMB7,200,000 (or its foreign currency equivalent) (the "Deductible"), in which event the Indemnifying Party shall be required to pay or be liable for all Losses to the extent such Losses exceed the De Minimis. With respect to any indemnification claim by an Indemnified Party under Section 6.2(b)(i) or Section 6.2(c)(i), as the case may be, the Indemnifying Party shall not be liable for any individual or series of related Losses which do not exceed RMB1,680,000 (or its foreign currency equivalent) (the "De Minimis") (which Losses shall not be counted toward the Deductible). The limitations in this Section 6.2(d)(i) shall not apply to or otherwise affect the ability to make claims or recover Losses with respect to claims based on a breach or inaccuracy of any Fundamental Representation. In calculating whether the amount of Losses suffered by an Indemnified Party under Section 6.2(b)(i) or Section 6.2(c)(i) arising from a breach of a representation or warranty exceeds the De Minimis or the Deductible, any materiality qualifications (whether by reference to "material" or "Material Adverse Effect" or otherwise) shall be disregarded in such representations and warranties.

(ii) The maximum aggregate amount of all Losses for which the Seller Indemnifying Party or the Purchaser Indemnifying Party under Section 6.2(b)(i) or Section 6.2(c)(i), as the case may be, shall not exceed RMB248,000,000 (or its foreign currency equivalent) (the "Indemnification Cap"). The foregoing limitation

shall not apply to claims or Losses based on a breach or inaccuracy of any Fundamental Representation, for which the liability of either the Seller Indemnifying Party or the Purchaser Indemnifying Party shall not exceed the Final Purchase Price.

(iii) Payments by an Indemnifying Party pursuant to Section 6.2 in respect of any Loss shall be limited to an amount of any Loss that remains after deducting therefrom any insurance proceeds and any indemnity, contribution or other similar payment actually received by the Indemnified Party in respect of any such claim from third parties, less the reasonable costs incurred by the Indemnified Party to recover such proceeds. The Indemnified Party shall use its commercially reasonable efforts to recover under insurance policies insuring against such Losses.

(e) Indemnification Procedures.

(i) Third-Party Claims.

(A) If any Indemnified Party receives notice of the assertion or commencement of any Action made or brought by any Person who is not a Party or a Party's Affiliate or Representative (a "Third-Party Claim") against such Indemnified Party with respect to which the Indemnifying Party is liable to indemnify under this Agreement, such Indemnified Party shall give the Indemnifying Party prompt written notice thereof (the "Third-Party Claim Notice"). The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party from its indemnification obligations, except and only to the extent that it is materially prejudiced by reason of such failure. The Third-Party Claim Notice shall describe the Third-Party Claim in reasonable detail, shall include copies of all material written notices received in respect thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party.

(B) The Indemnifying Party shall have the right to assume the defense of any Third-Party Claim at its own expense and by its own counsel, and the Indemnified Party shall cooperate in good faith in such defense, so long as (i) the Indemnifying Party notifies the Indemnified Party in writing within twenty (20) days after receipt of the Third-Party Claim Notice that it will assume the defense of such Third-Party Claim, (ii) the Third-Party Claim only involves monetary damages and does not seek an injunction or other equitable relief, (iii) the Indemnifying Party conducts the defense of the Third-Party Claim actively and diligently, and (iv) the amount sought under such Third-Party Claim does not exceed the then-remaining Indemnification Cap of the relevant Indemnifying Party, taking into account all other then-pending indemnification claims.

(C) In the event that the Indemnifying Party assumes the defense of any Third-Party Claim, (x) subject to Section 6.2(e)(ii), it shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third-Party Claim in the name and on behalf of the Indemnified Party, and (y) the Indemnified Party shall have the right, at its own cost and expense, to participate in the defense of any Third-Party Claim with counsel selected by it subject to the Indemnifying Party's right to control the defense thereof. Notwithstanding the foregoing,

such Indemnifying Party shall not be entitled to assume control of the defense of any Third-Party Claim (unless otherwise agreed to in writing by the Indemnified Party) if the Indemnified Party reasonably determines that a conflict of interest is likely to exist if such Indemnifying Party was defending such claim or if the claim is brought by a Government Authority directly against the Indemnified Party, and such Indemnifying Party shall indemnify the Indemnified Party for Losses the Indemnified Party reasonably incurs by reason of any such action.

(D) If the Indemnifying Party elects not to control or conduct the defense of such Third-Party Claim or fails to promptly notify the Indemnified Party in writing of its election to defend within such 20-day period, or any of the conditions of its right to control or conduct the defense of such Third-Party Claim set forth in this Section 6.2(e) are not or cease to be satisfied, then the Indemnified Party may pay, compromise, consent to the entry of any judgment or defend against such Third-Party Claim in any manner it reasonably may deem appropriate (and the Indemnified Party need not consult with, or obtain any consent from, any Indemnifying Party in connection therewith), and seek indemnification for any and all Losses based upon, arising from or relating to such Third-Party Claim.

(E) The Parties shall cooperate with each other in all reasonable respects in connection with the defense of any Third-Party Claim, including making available (subject to the provisions of Section 6.3 and any requirements to preserve applicable privilege) records relating to such Third-Party Claim and furnishing, without expense (other than reimbursement of actual out-of-pocket expenses) to the defending Party, management employees of the non-defending Party as may be reasonably necessary for the preparation of the defense of such Third-Party Claim.

(ii) Settlement of Third-Party Claims. Notwithstanding any other provision of this Agreement, the Indemnifying Party shall not enter into a settlement or admit liability in respect of any Third-Party Claim without the prior written consent of the Indemnified Party (which consent shall not be unreasonably withheld, conditioned or delayed), except as provided in this Section 6.2(e)(ii). If a firm offer is made to settle a Third-Party Claim that (i) will be entirely indemnified by the Indemnifying Party pursuant to this Section 6.2, (ii) includes a customary unconditional release by the Person(s) asserting such Third-Party Claim of each Indemnified Party from all Liabilities in connection with such Third-Party Claim, and (iii) does not impose any injunctive relief or other material restrictions of any kind or nature on any Indemnified Party or require admission of wrong-doing by any Indemnified Party, and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give written notice to that effect to the Indemnified Party. If the Indemnified Party fails to consent to such firm offer within twenty (20) days after its receipt of such notice, the Indemnified Party may continue to contest or defend such Third-Party Claim and in such event, the maximum liability of the Indemnifying Party as to such Third-Party Claim shall not exceed the amount of such firm settlement offer. If the Indemnified Party fails to consent to such firm offer and also fails to assume defense of such Third-Party Claim, the Indemnifying Party may settle the Third-Party Claim upon the terms set forth in such firm offer.

(iii) Direct Claims. Any claim by an Indemnified Party on account of a Loss which does not result from a Third-Party Claim (a “Direct Claim”) shall be asserted by the Indemnified Party by giving the Indemnifying Party prompt written notice thereof (the “Direct Claim Notice”). The failure to give such prompt written notice shall not, however, relieve the Indemnifying Party of its indemnification and reimbursement obligations, except and only to the extent that the Indemnifying Party is materially prejudiced by reason such failure. Such Direct Claim Notice shall describe the Direct Claim in reasonable detail, shall include copies of all material written notices received in respect thereof and shall indicate the estimated amount, if reasonably practicable, of the Loss that has been or may be sustained by the Indemnified Party. The Indemnifying Party shall have thirty (30) days after its receipt of the Direct Claim Notice (the “Objection Period”) to object to the indemnification of the Indemnified Party in respect of any claim or claims specified in the Direct Claim Notice. If the Indemnifying Party objects to any claim or claims contained in the Direct Claim Notice, the Indemnifying Party shall deliver to the Indemnified Party a notice (the “Objection Notice”), specifying in reasonable detail the basis for such objection. The Indemnifying Party and the Indemnified Party shall, within the 30 days after the date of receipt by the Indemnified Party of the Objection Notice, attempt in good faith to agree upon the rights of the respective parties with respect to each of such claims to which the Indemnifying Party shall have objected. Should the Indemnified Party and the Indemnifying Party be unable to agree as to any particular item(s) or amount(s) within such time period, then the Indemnified Party shall be permitted to pursue any remedies it may have with respect to such Direct Claim in accordance with Section 6.8. Claims for (A) Losses specified in any Direct Claim Notice to which the Indemnifying Party does not object in writing within the Objection Period, (B) Losses with respect to which the Indemnifying Party and the Indemnified Party have been agreed in writing in accordance with this Section 6.2(e)(iii), (C) Losses the validity and amount of which have been finally determined by arbitration in accordance with Section 6.8 or (D) Losses which are otherwise settled with the consent of the Indemnified Party as described in Section 6.2(e)(ii) are, in each case, hereinafter referred to, collectively, as “Agreed Claims”. Within five (5) Business Days of the determination of the amount of any Agreed Claim, subject to the limitations set forth herein, the Indemnifying Party shall pay to the Indemnified Party an amount equal to the Agreed Claim by wire transfer of immediately available funds to the bank account or accounts designated by the Indemnified Party.

(f) Tax Treatment of Indemnification Payments. All indemnification payments made under this Agreement shall be treated by the Parties as an adjustment to the Final Purchase Price for Tax purposes, unless otherwise required by Applicable Laws.

(g) Exclusive Remedies. The Parties acknowledge and agree that after Closing, their sole and exclusive remedy with respect to any and all claims (other than claims arising from fraud on the part of a Party in connection with the transactions contemplated by this Agreement) for any breach of any representation, warranty, covenant, agreement or obligation set forth herein or otherwise relating to the subject matter of this Agreement, shall be pursuant to the indemnification provisions under this Section 6.2. In furtherance of the foregoing, after Closing, each Party hereby waives, to the fullest extent permitted under Applicable Laws, any and all rights, claims and causes of action for any breach of any representation, warranty, covenant, agreement or obligation set forth in this Agreement it may have against the other Parties and their Affiliates and each of their respective Representatives

arising under or based upon any Applicable Law, other than for fraud of any other Party, except pursuant to the indemnification provisions set forth in this Section 6.2. Nothing in this Section 6.2 shall limit any Person's right to seek and obtain any equitable relief to which any Person shall be entitled pursuant to Section 6.8 or to seek any remedy on account of fraud by any Party.

(h) No Duplication of Recovery. Any Liabilities shall not constitute a Loss to the extent included in the calculation of NAV of the Group Companies or otherwise taken into account in the Final Purchase Price.

SECTION 6.3. Confidentiality. Each Party shall keep confidential, and shall cause its Affiliates and Representatives to, keep confidential the Confidential Information, and refrain from using any of the Confidential Information, except as the other Parties agree otherwise; provided that, each Party may disclose the Confidential Information:

(a) to the extent that such disclosure is required by Applicable Laws or is required or requested by a Government Authority, such Party shall notify the other Parties promptly of the request or requirement so that such other Party may seek, at its sole cost and expense, an appropriate protective order or waive compliance with the provisions of this Section 6.3. If, in the absence of a protective order or the receipt of a waiver hereunder, such Person is legally required to disclose any Confidential Information, such Person may disclose such Confidential Information to the request of Government Authority; provided, however, that such Person shall use commercially reasonable efforts to obtain, at the reasonable request of any other Party and at such other Party's sole cost, an order or other assurance that confidential treatment of the Confidential Information will be accorded to such portion of the Confidential Information required to be disclosed as such other Party shall designate;

(b) to the relevant PRC taxation authorities in connection with any voluntary reporting by any Party of the transactions contemplated by the Transaction Documents, including any information provided to relevant Tax authorities as contemplated in Section 5.3(c);

(c) to the extent required by the rules of any stock exchange;

(d) to its Representatives, as necessary to the performance of its obligations in connection with this Agreement and the Transaction Documents so long as each such Person to whom the Confidential Information is so disclosed agrees to keep such Confidential Information confidential; and

(e) in the case of the Purchaser, to its direct or indirect existing or potential investors and potential financiers (including the Debt Financing Banks).

SECTION 6.4. Press Releases. None of the Parties hereto or their respective Affiliates or Representatives shall issue a press release or make any public announcement or other public disclosure with respect to any of the transactions contemplated under this Agreement or the other Transaction Documents without obtaining in each instance the prior written consent of the other Parties; provided that, this restriction shall not apply to (a) any public announcement or disclosure required by Applicable Laws or any regulatory body or the rules of any relevant stock exchange, but the Party with an obligation to make such public announcement or disclosure shall consult with the other Parties insofar as is reasonably practicable before complying with such an obligation. Any description of the other Parties or

its Affiliates in such public announcement or disclosure shall be subject to the review and approval by the other Party (such approval not to be unreasonably withheld, conditioned or delayed); or (b) any press release, public announcement or other public disclosure by a Party that discloses such Party's or its Affiliate's involvement in the transactions, the signing and/or closing of the transaction, transaction size, the parties involved, and description of the assets acquired (including location and general description of tenants), in each case, where the scope of information so disclosed (to the extent relating to the transaction under this Agreement or the other Parties or their Affiliates) is no broader than what has already been disclosed in any public announcement or disclosure required by Applicable Laws or any regulatory body or the rules of any relevant stock exchange made pursuant to Section 6.4(a) above or other public disclosure or publicly available information that is not in breach of this Agreement.

**SECTION 6.5. Successors and Assigns.** This Agreement may not be assigned by any Party except with the prior written consent of the other Parties. The Seller hereby consents to the security assignment (or grant of any other form of security interest) by the Purchaser of or over all of its right, title and interest under this Agreement to any Debt Financing Banks or other finance parties (including any security agent representing such finance parties in such security assignment) providing the Debt Financing to the Purchaser, the Target Company or their Affiliates. The Seller agrees to sign any customary acknowledgement in connection with the Purchaser's security assignment (or grant of any other form of security interest) contemplated under this clause that is reasonably requested by the Purchaser. Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and permitted assignees of the Parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the Parties hereto or their respective successors and assigns any rights, remedies, obligations, or Liabilities under or by reason of this Agreement, except as expressly provided in this Agreement.

**SECTION 6.6. Third Party Beneficiaries.** Except for the Indemnified Parties (the Parties agree the Indemnified Parties are express third party beneficiaries who shall be entitled to directly enforce this Agreement), no party other than a Party to this Agreement (or a direct or indirect successor or assignee of a Party) shall be entitled to enforce this Agreement or enjoy any terms and benefits hereof under the *Contracts (Rights of Third Party) Ordinance (Chapter 623 of the Laws of Hong Kong)*.

**SECTION 6.7. Set off.** The Purchaser's obligation to pay any amount to the Seller under this Agreement shall be subject to set-off, counterclaim or recoupment of amounts owed by the Seller to the Purchaser, the Target Company or their Affiliates. Upon written notice to the Seller specifying in reasonable detail the basis for such set-off, and the Seller failing to dispute in good faith the basis for such set-off within ten (10) calendar days of receipt of such notice, the Purchaser shall be entitled to offset any amount payable to the Seller by the Purchaser under this Agreement (including the Final Purchase Price and the Holdback Amount) against any amount payable or refundable to the Target Company or the Purchaser or their Affiliates by the Seller or its Affiliates. In the event of any such dispute, the Purchaser shall, in lieu of any set-off, deposit such disputed amount with a third party escrow agent until such time as the dispute is resolved.

**SECTION 6.8. Governing Law; Dispute Resolution.** This Agreement is to be construed in accordance with and governed by the Laws of Hong Kong without giving effect to any choice of law rule. Any disputes, disagreements or claims arising out of or relating to this Agreement, including the existence, validity, interpretation, performance, breach or

termination thereof, or any dispute regarding non-contractual obligations (other than disputes relating to the Final Closing Statements, which shall be subject to Section 2.2(d)) arising out of or in connection with this Agreement shall be finally resolved by arbitration administered by the Hong Kong International Arbitration Center (“HKIAC”) under HKIAC Administered Arbitration Rules in force when the notice of arbitration is submitted. The Applicable Law of this arbitration clause shall be Hong Kong Laws. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be three. The Purchaser, on the one hand, and the Seller, on the other hand, shall each elect one arbitrator. The third arbitrator shall be the presiding arbitrator who is designated by the aforesaid two arbitrators; provided that, if the first two arbitrators cannot agree to the nomination of the third arbitrator within ten (10) Business Days, the third arbitrator shall be appointed by the president of the HKIAC. The arbitration proceedings shall be conducted in both Chinese and English. The arbitration award shall be final and binding. The arbitration fee shall be borne by the losing Party. Nothing in this Section 6.8 shall be deemed to prevent any Party from seeking preservation relief or interim relief (including injunctions, specific performance or other similar or same equitable remedies) from any competent court.

**SECTION 6.9. Notices.** Each notice, demand or other communication given or made under this Agreement shall be in writing and delivered or sent to the relevant Party at its address (physical or email (with a confirmatory copy sent by an internationally recognized overnight courier service)) set out below (or such other address or email address as the addressee has by five (5) days prior written notice specified to the other Parties). Any notice, demand or other communication so addressed to the relevant Party shall be deemed to have been delivered (a) if delivered in person or by messenger or courier service, when proof of delivery is obtained by the delivering Party; (b) if sent by post within the same country, on the third (3rd) day following posting, and if sent by post to another country, on the fifth (5th) day following posting, and (c) if given or made by email, upon confirmation of receipt (or deemed delivery of the confirmatory copy, if earlier). The initial address and email address for the Parties for the purposes of this Agreement are:

if to the Purchaser or the Group Companies, to:

Sonic Holdings I Limited

with a required copy to:

c/o The Blackstone Group (HK) Limited  
Two International Finance Centre, Suite 901, 9<sup>th</sup> Floor  
No. 8 Finance Street, Central, Hong Kong  
Attention: Legal Department  
Email: [realestateasianotices@blackstone.com](mailto:realestateasianotices@blackstone.com)

with an additional required copy to:

Simpson Thacher & Bartlett  
ICBC Tower – 35th Floor  
3 Garden Road, Central, Hong Kong



Attention: Jonathan Hwang  
Email: [jonathan.hwang@stblaw.com](mailto:jonathan.hwang@stblaw.com)

if to the Seller, to:

R&F Properties (HK) Company Limited  
Room 6303, The Center  
No. 99 Queen's Road  
Central, Hong Kong  
Attention: Michael Lee / Maggie Wong  
Email: [leem@rfchina.com.hk](mailto:leem@rfchina.com.hk) / [wtsm@rfchina.com.hk](mailto:wtsm@rfchina.com.hk)

with an additional required copy to:

Dorsey & Whitney  
One Pacific Place, Suite 3008  
88 Queensway, Hong Kong  
Attention: Hilda Chan  
Email: [chan.hilda@dorsey.com](mailto:chan.hilda@dorsey.com)

SECTION 6.10. Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including PDF) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

SECTION 6.11. Amendments and Waivers. This Agreement shall not be changed or modified, in whole or in part, except by supplemental agreement or amendment signed by the Parties. The observance of any term may be waived only by the written consent of the Party adversely affected by such waiver.

SECTION 6.12. Severability. If one or more provisions of this Agreement are held to be unenforceable under Applicable Laws, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

SECTION 6.13. Further Assurances. The Parties shall from time to time and at all times after the Signing Date, at reasonable request of any other Party, use commercially reasonable efforts to do, make, execute, or cause or procure to be made, done and executed such further acts, deeds, conveyances, consents and assurances, which may reasonably be required to effect the transactions contemplated by this Agreement.

SECTION 6.14. Entire Agreement. This Agreement and other Transaction Documents constitute the entire agreement among the Parties with respect to the subject matter hereof and thereof and supersede all prior and contemporaneous representations, warranties, understandings and agreements, both written and oral, with respect to such subject matter.

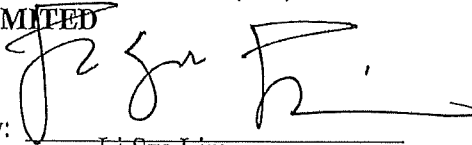
SECTION 6.15. Effectiveness. This Agreement shall enter into effect upon execution by all of the Parties on the Signing Date.

SECTION 6.16. Change of Applicable Laws. After the Signing Date, if any change in Applicable Laws (including laws and regulations on foreign investment) causes or may cause any provisions under any Transaction Documents to be modified or unable to be performed, the Parties shall negotiate to amend such provisions in accordance with the updated Applicable Laws and practical requirements of the Government Authorities in effect as such time in good faith and on mutually agreeable terms, so as to ensure the economic interest and rights of the Parties under the Transaction Documents remain unchanged.

[Signatures on following pages]

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed by their duly authorized representatives on the date first set forth above.

**R&F PROPERTIES (HK) COMPANY  
LIMITED**

By: 

Name: Li Sze Lim

Title: Authorized Signatory

IN WITNESS WHEREOF, each of the Parties hereto has caused this Agreement to be executed by their duly authorized representatives on the date first set forth above.

**SONIC HOLDINGS I LIMITED**

By:   
Name: Peng Wei Tan  
Title: Authorized Signatory

## SCHEDULE 1

### DETAILS OF THE TARGET COMPANY

(As of the Signing Date)

Name	Sonic Holdings II Limited
Company Number	366562
Registered Address	c/o Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands
Authorized Share Capital	USD50,000
Issued Share Capital	USD1.00
Par Value Per Share	USD0.01
Incorporation Date	September 25, 2020
Shareholders	Seller (30%) Purchaser (70%)
Directors	Blackstone Real Estate Holdings Director L.L.C. Law Yiu Fat Richard Yuen Pak Man Zheng Jiaying Jian Zheng
Registered Office	Intertrust Corporate Services (Cayman) Limited

(At Closing)

Name	Sonic Holdings II Limited
Company Number	366562
Registered Address	c/o Intertrust Corporate Services (Cayman) Limited, One Nexus Way, Camana Bay, Grand Cayman, KY1-9005, Cayman Islands
Authorized Share Capital	USD50,000
Issued Share Capital	USD1.00
Par Value Per Share	USD0.01
Incorporation Date	September 25, 2020
Shareholders	Purchaser (100%)
Directors	Blackstone Real Estate Holdings Director L.L.C. Law Yiu Fat Richard Yuen Pak Man
Registered Office	Intertrust Corporate Services (Cayman) Limited

## SCHEDULE 2

### DESCRIPTION OF THE PROPERTIES

(1) ListCo 786mu Land and all completed Facilities erected thereon

➤ Land Parcel with Area of 169,262.42sqm

<b>Real Estate Ownership Certificate No.</b>	Yue (2021) Guangzhou Shi Real Estate Title Certificate No. 08003265/粤（2021）广州市不动产权第 08003265 号
<b>Registration Date</b>	January 13, 2021
<b>Owner</b>	Guangzhou Dingfu Business Operation Co., Ltd./广州鼎富商业运营有限公司
<b>Location</b>	No. 1 Middle Jingang Road, Huadong Town, Huadu District, Guangzhou City/广州市花都区花东镇金港中路 1 号
<b>Property Unit No.</b>	440114003017GB00004F00010001

➤ Land Parcel with Area of 184,834.38sqm

<b>Real Estate Ownership Certificate No.</b>	Yue (2021) Guangzhou Shi Real Estate Title Certificate No. 08003266/粤（2021）广州市不动产权第 08003266 号
<b>Registration Date</b>	January 13, 2021
<b>Owner</b>	Guangzhou Dingfu Business Operation Co., Ltd./广州鼎富商业运营有限公司
<b>Location</b>	No 5, 7, 9 Jingang Bei Si Road, No. 5, 6, 7, 9 Jingang Bei San Road, No 8, 10, 12 Jingang Bei Yi Road, Huadong Town, Huadu District, Guangzhou City/广州市花都区花东镇金港北四路 5、7、9 号、金港北三路 5、6、7、9 号、金港北一路 8、10、12 号
<b>Property Unit No.</b>	440114003019GB00017F00010001

➤ Land Parcel with Area of 54,956sqm

<b>Land Information</b>	
<b>Real Estate Ownership Certificate No.</b>	Yue (2021) Guangzhou Shi Real Estate Title Certificate No. 08059301/粤（2021）广州市不动产权第 08059301 号
<b>Registration Date</b>	November 26, 2021
<b>Owner</b>	Guangzhou Dingfu Business Operation Co., Ltd./广州鼎富商业运营有限公司
<b>Location</b>	No. 83 and 1-3 of No. 83 Yongxing Road, Huadu District, Guangzhou City/广州市花都区永星路 83 号、83 号之一至之三

(2) ListCo 200mu Land and all completed Facilities erected thereon

Land Information	
<b>Real Estate Ownership Certificate No.</b>	Yue (2021) Guangzhou Shi Real Estate Title Certificate No. 08059107/粤（2021）广州市不动产权第 08059107 号
<b>Registration Date</b>	November 25, 2021
<b>Owner</b>	Guangzhou Dingfu Business Operation Co., Ltd./广州鼎富商业运营有限公司
<b>Location</b>	18-21 of No. 2 Middle Jingang Road, Huadu District, Guangzhou City/广州市花都区金港中路 2 号之十八至二十一

(3) Huawei 38mu Land and all completed Facilities erected thereon

Land Information	
<b>Real Estate Ownership Certificate No.</b>	Yue (2021) Guangzhou Shi Real Estate Title Certificate No. 08060239/粤（2021）广州市不动产权第 08060239 号
<b>Registration Date</b>	November 30, 2021
<b>Owner</b>	Guangzhou Huawei Decoration Material Co., Ltd./广州市华维装饰材料有限公司
<b>Location</b>	No. 1 Huguang Road, Huadu District, Guangzhou City/广州市花都区湖光路 1 号

(4) Huawei 200mu Land and all completed Facilities erected thereon

Land Information	
<b>Real Estate Ownership Certificate No.</b>	Yue (2021) Guangzhou Shi Real Estate Title Certificate No. 08058090/粤（2021）广州市不动产权第 08058090 号
<b>Registration Date</b>	November 18, 2021
<b>Owner</b>	Guangzhou Huawei Decoration Material Co., Ltd./广州市华维装饰材料有限公司
<b>Location</b>	14-17 of No. 2 Middle Jingang Road, R&F Jingang New City, Huadu District, Guangzhou City/广州市花都区富力金港新城金港中路 2 号之十四至十七

(5) ListCo 290mu Land and all completed Facilities erected thereon

Land Information	
<b>Real Estate Ownership Certificate No.</b>	Yue (2020) Guangzhou Shi Real Estate Title Certificate No. 08403649/粤（2020）广州市不动产权第 08403649 号
<b>Registration Date</b>	December 8, 2020
<b>Owner</b>	Guangzhou R&F International Airport Integrated Logistics Park Co., Ltd./广州富力国际空港综合物流园有限公司

<b>Location</b>	Zhuhu, Xiutang, Tangxing Village, Huadong Town, Huadu District, Guangzhou City/广州市花都区花东镇竹湖、秀塘、塘星村
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(6) Logistics 157mu Land and all completed Facilities erected thereon

<b>Land Information</b>	
<b>Land Use Right Title Certificate No.</b>	Sui Guo Yong (2013) No. 00722071/穗国用（2013）第00722071号
<b>Registration Date</b>	August 12, 2013
<b>Owner</b>	Airport Logistics
<b>Location</b>	North of airport north extension, Huadong Town, Huadu District, Guangzhou City/广州市花都区花东镇机场北延线以北



**SCHEDULE 3**

**APPLICABLE POLICIES**

1. The Final Closing Statement, the Closing Date Balance Sheet and the Management Forecast Pro-forma Consolidated Balance Sheet (as defined below) shall be prepared:
  - 1.1 in accordance with the policies, procedures and practices set out in paragraphs 2 through 8 of this Schedule 3 (the “Applicable Policies”) and the general guidelines set out on Schedule 4;
  - 1.2 to the extent not contradictory to the Applicable Policies, in accordance with the accounting principles, procedures and practices adopted in the Management Forecast Pro-Forma Consolidated Balance Sheet (as defined below), applied on a consistent basis; and
  - 1.3 to the extent not contradictory to the Applicable Policies and the applicable accounting principles, procedures and practices adopted in the Management Forecast Pro-Forma Consolidated Balance Sheet, applied on a consistent basis and except for as otherwise agreed by the Purchaser and Seller, in accordance with the PRC GAAP as applied to the Financial Statements of each of the Operating Subsidiaries, the IFRS as applied to the Financial Statements of the Target Company and each of the Cayman Subs and the HKFRS as applied to the Financial Statements of each of the HK Subs.
2. The pro forma consolidated balance sheet of the Group Companies as set out in the first column of the table in Schedule 4 and the last column of the table in Schedule 5 (the “Management Forecast Pro-forma Consolidated Balance Sheet”) is for illustrative purposes only, and is the result of adding each asset and liability line item and offset by Affiliate receivables and payables and long-term investment and paid-in capital, as determined from the standalone management forecast pro-forma balance sheet as at December 31, 2021 (i.e. the assumed Closing Date) in accordance with the policies in this Schedule 3 and guidelines in Schedule 4, and converted into RMB using an exchange rate of RMB6.3929/USD1.0000 for illustrative purpose.
3. The Closing Date Balance Sheet and the Final Closing Statement shall be prepared based on the management accounts of each of the Group Companies as of the Cut-off Time, in accordance with the policies in this Schedule 3 and guidelines in Schedule 4 and converted from USD or HKD into RMB in accordance with the exchange rate in Section 1.2(k)(ii)(A) of this Agreement. The Final Closing Statement shall be expressed in RMB.
4. For the purposes of Final Closing Statement and the Closing Date Balance Sheet, no account shall be taken of any events occurring after the Cut-off Time.
5. The Closing Date Balance Sheet shall be prepared as at the Cut-off Time and in a similar format to the balance sheet set forth in Schedule 5.
6. For the purposes of the Final Closing Statement and the Closing Date Balance Sheet, respectively, net asset value (“NAV”) shall mean the NAV amount calculated in accordance with the principles set out in Schedule 3 and the calculation methods in Schedule 4.
7. For the purposes of calculating the Final Purchase Price and the Final NAV:

- 7.1 the value of the Properties shall be fixed at an amount equal to the Property Value, and any change to the Properties' value shall not be considered when calculating the Final Purchase Price (i.e., any such change shall be disregarded when calculating the Final Purchase Price); the value of the Properties shall not be taken into account when calculating the Final NAV; provided that, however, if there occurs any destruction, damage or Taking under Section 5.4 (*Destruction or Damage; Government Taking*), the Property Value shall accordingly be reduced by (a) the insurance proceeds the Seller is entitled to receive in respect of such destruction and/or damage under Section 5.4(b)(i) of this Agreement; and/or (b) the reimbursement which the Seller is entitled to receive from the relevant Government Authority under Section 5.4(b)(ii) of this Agreement (as appropriate);
- 7.2 notwithstanding anything to the contrary, for the purpose of the Final Closing Statement, an accrual will be made with respect to annual bonuses (including the social contributions and applicable individual income Tax to be withheld from the bonuses) for employees for the period commencing on January 1, 2021 up to the Closing Date. For the avoidance of any doubt, this is to account for the pro-rata unpaid bonus for the period from January 1, 2021 to the Cut-off Time calculated based on annual bonus for the financial year of 2021 (such calculation shall be supported by documents explaining determination of such annual bonus) and such annual bonus will be treated as liabilities. For the avoidance of doubt, any such annual bonus that has been paid to employees by the time when the Purchaser delivers the Final Closing Statement according to Section 2.1(d)(i) of this Agreement (with supporting evidence of such payment) shall be treated as liabilities under this Paragraph 7.2;
- 7.3 notwithstanding anything else to the contrary, for construction costs:
- (a) construction costs payable will be recorded on an accrual (i.e. percentage of completion) basis and reflect all outstanding payables for work completed up to the Cut-off Time (based on final settlement agreement entered into by the contractors, or if such settlement agreements have not been entered into, by the contractual amount) and shall be treated as liabilities. For the avoidance of any doubt, construction costs payable are to be recorded on a percentage of completion basis and not on an invoice or other basis;
  - (b) (i) construction costs in respect of fire safety rectification in accordance with Section 5.13 of the Merger Agreement for an amount of RMB47,880,000; (ii) construction costs and consultation fees prior to the commencement of construction, including (x) preliminary design costs and application fees (报审费用) and reviewing fee of the design of municipal supporting facilities (公建配套设施设计审图费) in connection with the Facilities numbered Z1-Z8 on Huawei 38mu Land, and (y) development costs as well as costs in relation to detailed planning of the master plan (总平面图修建性详细规划), application (报批报建), design of construction (施工图设计), review of design (审图), surveying (勘察), municipal supporting fees (市政配套费) and other administrative procedures (手续费), and (iii) construction costs for municipal supporting

facilities (公建配套设施) ((ii) and (iii) in aggregate for an amount up to RMB 52,380,000), shall be treated as liabilities;

(c) after all outstanding construction payables are fully accrued at the Cut-off Time, the book value of Properties will be adjusted to reflect the assessment value per the latest valuation report. For the avoidance of any doubt, the book value of the Properties will then be fully adjusted and replaced by the Property Value (i.e. RMB7,300,000,000), subject to paragraph 7.1 of this Schedule;

- 7.4 notwithstanding anything to the contrary, any amounts under-accrued by the Group Companies in respect of Tax as of the Cut-off Time shall be deemed to be a Tax Payable and be treated as liabilities;
- 7.5 notwithstanding anything to the contrary, all third-party accounts receivable and other accounts receivable by the Group Companies which are recoverable in full before the Cut-off Time shall be treated as assets; such accounts receivable with default risk shall be disregarded and be treated as zero. For the avoidance of any doubt, receivables in an amount of RMB126,494 due from Lofty Express Limited shall be disregarded and not be included as an asset. Any accounts receivable (excluding the Affiliates payables and receivables between the Group Companies) of the Group Companies from the Seller, the Seller's Affiliates (whether as principal, interest or otherwise) shall be settled prior to Closing Date, or otherwise shall be treated as zero. Notwithstanding anything to the contrary, none of the Final Closing Statement or the Closing Date Balance Sheet shall use the straight-line method to account for receivables for any rent-free period. Notwithstanding anything to the contrary, 18% of other receivables arising from transaction costs incurred by the Target Company for the sole benefit of the Purchaser in respect of the transaction contemplated in the Merger Agreement for an amount of RMB31,352,225 shall be paid by the Purchaser to the Seller, and therefore an amount of RMB18,811,335 (being  $RMB31,352,225 \times 18\% / 30\%$ ) shall be included in the NAV as an asset;
- 7.6 notwithstanding anything to the contrary, all amounts payable by the Group Companies to the Seller, the Seller's Affiliates and any third party (whether as principal, interest or otherwise) as of the Cut-off Time (including the Affiliated Payables and any other payable) in relation to operations shall be treated as liabilities. Given the costs and expenses for an amount of RMB107,979 shall be borne by the Seller and part of it was not reflected in the NAV Adjustment Amount (as defined in the Merger Agreement) for the transaction contemplated in the Merger Agreement, an amount of RMB288,139 shall be treated as a liability;
- 7.7 notwithstanding anything to the contrary, any outstanding payables under the construction contracts of the Properties and any payables for which construction contracts have not been signed but are expected to be incurred shall be treated as liabilities (with the amount of such liabilities being subject to the limitation as set forth under paragraph 7.3(b) of this Schedule), except for those contracts that have been terminated and without any payment obligation;

- 7.8 the prepaid business tax and surcharges by Airport Logistics and Huawei, as of the Cut-off Time shall be treated as zero;
- 7.9 notwithstanding anything to the contrary, the value of non-current assets, including intangible assets, inventory, fix assets or investment properties formed by lands, properties, FF&E (Furniture, Fixtures & Equipment) for self-use (including storage racks), shall be disregarded and not be treated as assets. However, fixed assets for purposes of daily operations (i.e. machinery and electronic equipment, air conditioners, computers, transportation and office equipment for Dingfu and Airport Logistics, and transportation equipment and air conditioners for Huawei) shall be treated as assets. For the avoidance of doubt, there shall not be any inventory in the financial statements of the Target Company;
- 7.10 Notwithstanding anything to the contrary, deferred tax assets of the Group Company shall be treated as zero; and deferred tax liabilities of the Group Company shall be disregarded and not be treated as liabilities;
- 7.11 The accrued stamp duty in the amount of RMB1,249,941 by HK Subs in respect of the Restructuring (as defined in the Merger Agreement) has been borne by the Seller, and therefore shall be disregarded and not treated as a liability;
- 7.12 The account payables in an amount of RMB9,455,689 to the Seller and of RMB22,063,275 to the Purchaser represent the Debt Financing Costs (as defined in the Merger Agreement) borne by the Seller and Purchaser respectively, and therefore shall be disregarded and not treated as liabilities; and
- 7.13 For the avoidance of any doubt, foreign exchange balances shall be disregarded for the calculation of NAV.

**SCHEDULE 4**

**ILLUSTRATIVE NAV CALCULATION AND ILLUSTRATIVE CALCULATION OF  
FINAL PURCHASE PRICE**

The following NAV calculation as at December 31, 2021 is prepared on the basis of the Management Forecast Pro-forma Consolidated Balance Sheet as at December 31, 2021 as set out in the last column of the table in Schedule 5, which shall be for illustrative purposes only.

	Management Forecast Pro-forma Balance Sheet 31/12/2021	Indicative adjustments of Final NAV										Illustrative Final Merger Consideration		
		Adj 1	Adj 2	Adj 3	Adj 4	Adj 5	Adj 6	Adj 7	Adj 8	Adj 9	Adj 10			
	31 December 2021	Schedule 4	Excluding Accounts Receivable booked on straight-line method	Excluding uncollectible receivables from R&F	Excluding 40% other receivables arising from closing cost paid on behalf of Sonic I	Excluding prepaid business tax and surcharges by Airport Logistics and Huawei	Excluding long-term assets	Construction cost payable	M&A expenses to be borne by the Seller	Excluding stamp duty payables which has been considered as a deduction of NAV in the acquisition of 70% of the target company	Reversal of payables regarding Financing expenses which should be borne by Seller and Buyer proportionately	Excluding impact of Exchange difference	Total Adjustment Amount	31 December 2021
<b>RMB</b>	<b>31 December 2021</b>	<b>Schedule 4</b>												
<b>Current assets</b>														
Cash and cash equivalents	184,054,229												-	184,054,229
Accounts receivable	19,598,284	7.5	(19,399,392)										(19,399,392)	198,892
Prepayments	1,374,773												-	1,374,773
Other receivables	2,000,500												-	2,000,500
Amount due from R&F Group	(13,925,160)			(126,494)									13,925,160	0
- Remaining restructuring cost to be received from R&F HK														
- Exchange difference	(14,051,654)	7.13											14,051,654	-
- Amount from Lofty's financial book	126,494	7.5	(126,494)										(126,494)	-
Amount due from Sonic I	31,352,225				(12,540,890)								(12,540,890)	18,811,335
- 100% BX closing cost paid on behalf of Sonic I	31,352,225	7.5			(12,540,890)								(12,540,890)	18,811,335
Inventories	-												-	-
Other current assets	7,612,480	7.8				(1,166,154)							(1,166,154)	6,446,326
<b>Subtotal of current assets</b>	<b>232,067,332</b>		<b>(19,399,392)</b>	<b>(126,494)</b>	<b>(12,540,890)</b>	<b>(1,166,154)</b>							<b>(14,051,654)</b>	<b>(19,181,276)</b>
<b>Non-current assets</b>														
Investment properties	4,108,447,766	7.9					(4,108,447,766)						(4,108,447,766)	-
Fixed assets	4,378,351	7.9					(2,284,984)						(2,284,984)	2,093,367
Construction in progress	41,403,915	7.9					(41,403,915)						(41,403,915)	-
Intangible assets	121,853,737	7.9					(121,853,737)						(121,853,737)	-
Deferred tax assets	393,183	7.10					(393,183)						(393,183)	-
Long-term Deferred Expenses	81,438												-	81,438
<b>Subtotal of non-current assets</b>	<b>4,276,559,390</b>						<b>(4,274,383,585)</b>						<b>(4,274,383,585)</b>	<b>2,174,805</b>
<b>Total assets</b>	<b>4,508,625,722</b>		<b>(19,399,392)</b>	<b>(126,494)</b>	<b>(12,540,890)</b>	<b>(1,166,154)</b>	<b>(4,274,383,585)</b>						<b>(14,051,654)</b>	<b>(4,293,564,862)</b>
<b>Current liabilities</b>														
Short-term loan	-												-	-
Construction cost payable	(11,379,572)	7.3						(100,255,044)					(100,255,044)	(111,634,616)
Receipt in advance	(14,328,886)												-	(14,328,886)
Accounts payable – master sublease	-												-	-
Accounts payable	(7,049,326)	7.6						(288,139)					(288,139)	(7,337,465)
Tax payable	(7,863,267)	7.4											-	(7,863,267)
Other payable	(119,463,996)									1,249,941	31,518,965	(14,330,715)	18,438,191	(101,025,805)
- Onshore	(43,059,627)												-	(43,059,627)
- Offshore	(76,404,368)									1,249,941	31,518,965	(14,330,715)	18,438,191	(57,966,178)
i. Amount due to R&F Group	3,850,250										9,455,689	(13,305,940)	(3,850,250)	-
- Remaining restructuring cost payable to R&F Guangzhou														-
- Exchange difference	13,230,957	7.13											(13,230,957)	-
- IFL – Financing fee (30%)	(2,253,289)	7.12									2,253,289		2,253,289	-
- IFL – Interest Reserve (30%)	(5,702,400)	7.12									5,702,400		5,702,400	-
- IFL – Financing- related closing costs (30%)	(1,500,000)	7.12									1,500,000		1,500,000	-
- Exchange difference	74,983	7.13										(74,983)	(74,983)	-
ii. Amount due to Sonic I	(53,414,773)												22,063,275	(31,752,905)
- Financing Fee (70%)	(5,257,675)	7.12											5,257,675	-
- Interest Reserve (70%)	(13,305,600)	7.12											13,305,600	-
- Financing-related closing costs (70%)	(3,500,000)	7.12											3,500,000	-
- Fund injected by Sonic I to clear up onshore capex payable	(28,556,455)												-	(28,556,455)
- Exchange difference	401,407	7.13											(401,407)	-
- WC funding (\$150k on behalf of R&F HK, \$350k Sonic I)	(3,196,450)												-	(3,196,450)
iii. Amount due to Lu Jing (1% consideration)	(24,998,819)												-	(24,998,819)
iii. Exchange difference	606,757	7.13											(606,757)	-
iv. Others	(2,447,784)												1,249,941	(1,214,454)
- Stamp Duty	(1,249,941)	7.11											1,249,941	-
- Exchange difference	16,611	7.13											(16,611)	-
- Bank fee	(19,319)												-	(19,319)
- Interest payable (bank loan)	(1,195,134)												-	(1,195,134)
Employee benefits payable	(1,878,732)												-	(1,878,732)
Current portion of non-current liabilities	(19,094,062)												-	(19,094,062)
<b>Subtotal of current liabilities</b>	<b>(181,057,842)</b>							<b>(100,255,044)</b>	<b>(288,139)</b>	<b>1,249,941</b>	<b>31,518,965</b>	<b>(14,330,715)</b>	<b>(82,104,992)</b>	<b>(263,162,834)</b>
<b>Non-current liabilities</b>														
Long-term loan	(2,989,335,207)												-	(2,989,335,207)
Deferred tax liabilities	-	7.10											-	-
Long-term accounts payable	(51,696,714)												-	(51,696,714)
<b>Subtotal of non-current liabilities</b>	<b>(3,041,031,921)</b>													<b>(3,041,031,921)</b>
<b>Total liabilities</b>	<b>(3,222,089,763)</b>							<b>(100,255,044)</b>	<b>(288,139)</b>	<b>1,249,941</b>	<b>31,518,965</b>	<b>(14,330,715)</b>	<b>(82,104,992)</b>	<b>(3,304,194,755)</b>
<b>NAV</b>	<b>1,286,535,959</b>		<b>(19,399,392)</b>	<b>(126,494)</b>	<b>(12,540,890)</b>	<b>(1,166,154)</b>	<b>(4,274,383,585)</b>	<b>(100,255,044)</b>	<b>(288,139)</b>	<b>1,249,941</b>	<b>31,518,965</b>	<b>(279,061)</b>	<b>(4,375,669,853)</b>	<b>(3,089,133,894)</b>

For avoidance of doubt, the following principles were taken into account in the NAV calculation above and shall also be taken into consideration for the preparation of the Final Closing Statement and the calculation of Final NAV.

- (i) All the assets of the Group Companies shall include:
  - a. “balance of cash and cash equivalents”, the meaning of which shall be the same as “a. cash and cash equivalents” in the Balance Sheet; provided that any restricted cash and cash equivalent (for the avoidance of doubt, cash and cash equivalent in the capital account shall not be treated as restricted cash and cash equivalent) shall be disregarded;
  - b. “balance of prepayments”, the meaning of which shall be the same as “c. prepayments” in the Balance Sheet, which include all prepaid accounts of each of the Group Companies, except that (i) water and electricity fees or deposits arising from ordinary course of business were disregarded, provided that any deposit or prepaid account of the aforesaid water and electricity fees that could be used or offset after the Closing Date (for which the Seller can prove by providing written confirmation issued by the electric power bureau and water supplies bureau) shall be treated as assets; and (ii) any prepaid amount in relation to construction of the Properties which is not returned from the vendors to the Operating Subsidiaries during the period from the Closing Date to date that the Purchaser receives the Final Closing Statement shall be disregarded;
  - c. “net other receivable”, the meaning of which shall be “d. other receivable” in the Balance Sheet less the amount of all other accounts receivable with risk of bad debt; and
  - d. “input VAT”, the meaning of which shall be the same as “e. input VAT” (reclassified into Other current assets) in the Balance Sheet.
- (ii) All the liabilities of the Group Companies shall include:
  - a. balance of tax payable, the meaning of which shall be the same as “g. tax payable” in the Balance Sheet; provided that, where being adjusted by the PRC Government Authority prior to the Cut-off Time, potential tax risk arising from the tax treatment by Airport Logistics and Huawei of depreciation deduction before corporate income tax by fair value model of investment real estate properties shall be treated as liabilities;
  - b. balance of other accounts payable (including Affiliate Payables), its meaning is the same as “h. other payable” in the Balance Sheet; provided that, (i) any outstanding rental bank guarantees (to the extent treated as an asset) and deposits as of the Cut-off Time shall be treated as liabilities; and (ii) all outstanding payables of any operational expenses, including water and electricity fees, communication fees, taxes, audit fees, security fees, property management fees, asset management consulting service fees or lease management consulting service fees (whether principal, penalty or others) as of the Cut-off Time shall be treated as liabilities;
  - c. long-term loan, its meaning is the same as “j. long-term loan” in the Balance Sheet; provided that all outstanding payables (whether as principal, interest or otherwise) arising from the Operating Subsidiaries’ bank loans as of the Cut-off Time shall be treated as liabilities;
  - d. deferred tax liabilities, its meaning is the same as “k. deferred tax liabilities” in the Balance Sheet; provided that, deferred tax liabilities recorded on the balance sheet as of the Cut-off Time shall be disregarded; and



- e. payments received in advance, including rent prepaid by tenants, shall be treated as a liability.

The illustrative calculation of Final Purchase Price based on the pro forma NAV from the illustrative table above as at December 31, 2021 and the assumption that there is no adjustment based on the gross floor area in the Real Estate Ownership Certificates shall be as follows:

$$\text{Final Purchase Price} = (\text{A} + \text{B} + \text{C}) \times \text{D}$$

	Item	RMB
A	the Property Value	7,300,000,000
B	RMB7,657/m <sup>2</sup> × (the aggregate gross floor area in the Real Estate Ownership Certificates of the Relevant Facilities <i>minus</i> 427,257 m <sup>2</sup> )	0
C	the Final NAV (in RMB)	(3,089,133,894)
D	the Seller Shareholding Ratio	30%
Final Purchase Price (based on the NAV as at December 31, 2021) = (A + B + C) × D =		1,263,259,832

**SCHEDULE 5**  
**BALANCE SHEET**

The Management Forecast Pro-forma Consolidated Balance Sheet as at December 31, 2021 of Group Companies set out below is for illustrative purposes only, and is prepared based on the standalone management forecast pro-forma balance sheet as at December 31, 2021 in accordance with the policies in Schedule 3 and guidelines in Schedule 4.

**Management Forecast Pro-forma Balance Sheet 31/12/2021**

	Dingfu	Huawei	R&F Logistics	Futuo	Sonic Holdings II	Luxuriant Return Limited	Macro High Limited	Rosy Praise Limited	Rising Verse Limited	Pleasant Vision Limited	Holly Fortune Limited	Elimination	Management Forecast Pro-forma
<b>RMB</b>													
<b>Current assets</b>													
Cash and cash equivalents	98,229,884	5,797,023	1,287,053	5,787,780	47,752,385	24,112	24,112	24,112	14,854,651	5,549,329	4,723,788	-	184,054,229
Accounts receivable	15,150,372	3,045,291	1,402,620	-	-	-	-	-	-	-	-	-	19,598,284
Prepayments	950,691	268,429	90,471	65,182	-	-	-	-	-	-	-	-	1,374,773
Other receivables	19,676,072	-	-	2,011,070	2,471,853,517	1,784,313,376	659,636,542	559,776,337	315,756,119	116,733,707	98,994,934	(6,026,751,175)	2,000,500
Amount due from R&F Group	-	-	-	-	(13,925,160)	-	-	-	-	-	-	-	(13,925,160)
Amount due from Sonic I	-	-	-	-	31,352,225	-	-	-	-	-	-	-	31,352,225
Inventories	-	-	-	-	-	-	-	-	-	-	-	-	-
Other current assets	67,399	5,601,441	1,943,640	-	-	-	-	-	-	-	-	-	7,612,480
<b>Subtotal of current assets</b>	<b>134,074,418</b>	<b>14,712,185</b>	<b>4,723,784</b>	<b>7,864,031</b>	<b>2,537,032,968</b>	<b>1,784,337,489</b>	<b>659,660,655</b>	<b>559,800,450</b>	<b>330,610,769</b>	<b>122,283,036</b>	<b>103,718,722</b>	<b>(6,026,751,175)</b>	<b>232,067,332</b>
<b>Non-current assets</b>													
Investment properties	2,356,616,332	448,208,446	196,515,378	-	-	-	-	-	-	-	-	1,107,107,610	4,108,447,766
Long-term equity investment	-	-	-	-	958,935	8,249	8,249	8,249	1,468,057,143	542,402,721	460,281,289	(2,471,724,834)	-
Fixed assets	1,088,359	508,962	2,628,172	152,858	-	-	-	-	-	-	-	-	4,378,351
Construction in progress	35,129,996	2,092,427	4,181,492	-	-	-	-	-	-	-	-	-	41,403,915
Intangible assets	40,330,759	1,704,588	79,818,389	-	-	-	-	-	-	-	-	-	121,853,737
Deferred tax assets	-	393,183	-	-	-	-	-	-	-	-	-	-	393,183
Long-term Deferred Expenses	42,754	38,683	-	-	-	-	-	-	-	-	-	-	81,438
<b>Subtotal of non-current assets</b>	<b>2,433,208,201</b>	<b>452,946,290</b>	<b>283,143,431</b>	<b>152,858</b>	<b>958,935</b>	<b>8,249</b>	<b>8,249</b>	<b>8,249</b>	<b>1,468,057,143</b>	<b>542,402,721</b>	<b>460,281,289</b>	<b>(1,364,617,224)</b>	<b>4,276,558,390</b>
<b>Total assets</b>	<b>2,567,282,619</b>	<b>467,658,475</b>	<b>287,867,215</b>	<b>8,016,890</b>	<b>2,537,991,903</b>	<b>1,784,345,738</b>	<b>659,668,903</b>	<b>559,808,698</b>	<b>1,798,667,913</b>	<b>664,685,757</b>	<b>564,000,010</b>	<b>(7,391,368,399)</b>	<b>4,508,625,722</b>
<b>Current liabilities</b>													
Construction cost payable	(9,661,211)	(1,566,430)	(151,931)	-	-	-	-	-	-	-	-	-	(11,379,572)
Receipt in advance	(11,611,279)	(1,103,334)	(1,614,273)	-	-	-	-	-	-	-	-	-	(14,328,886)
Accounts payable - master sublease	-	-	-	-	-	-	-	-	-	-	-	-	-
Accounts payable	(2,225,897)	(1,119,589)	(878,779)	(1,689,170)	(363,484)	(142,855)	(142,855)	(142,855)	(114,614)	(114,614)	(114,614)	-	(7,049,326)
Tax payable	(5,628,693)	(1,194,583)	(637,917)	(402,074)	-	-	-	-	-	-	-	-	(7,863,267)
Other payable	(14,519,152)	(7,583,680)	(40,643,437)	-	(596,275,516)	(1,784,184,050)	(659,507,216)	(559,647,011)	(1,475,657,854)	(545,359,251)	(462,838,004)	6,026,751,175	(119,463,996)
Employee benefits payable	-	-	-	(1,878,732)	-	-	-	-	-	-	-	-	(1,878,732)
Current portion of non-current liabilities	(13,528,062)	(4,820,000)	(746,000)	-	-	-	-	-	-	-	-	-	(19,094,062)
<b>Subtotal of current liabilities</b>	<b>(57,174,295)</b>	<b>(17,387,616)</b>	<b>(44,672,336)</b>	<b>(3,969,976)</b>	<b>(596,638,999)</b>	<b>(1,784,326,905)</b>	<b>(659,650,071)</b>	<b>(559,789,866)</b>	<b>(1,475,772,468)</b>	<b>(545,473,865)</b>	<b>(462,952,619)</b>	<b>6,026,751,175</b>	<b>(181,057,842)</b>
<b>Non-current liabilities</b>													
Long-term loan	(1,509,958,602)	(467,540,000)	(72,362,000)	-	(939,474,605)	-	-	-	-	-	-	-	(2,989,335,207)
Deferred tax liabilities	-	-	-	-	-	-	-	-	-	-	-	-	-
Long-term accounts payable	(38,837,097)	(7,718,192)	(5,141,425)	-	-	-	-	-	-	-	-	-	(51,696,714)
<b>Subtotal of non-current liabilities</b>	<b>(1,548,795,699)</b>	<b>(475,258,192)</b>	<b>(77,503,425)</b>	<b>-</b>	<b>(939,474,605)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(3,041,031,921)</b>
<b>Total liabilities</b>	<b>(1,605,969,994)</b>	<b>(492,645,808)</b>	<b>(122,175,761)</b>	<b>(3,969,976)</b>	<b>(1,536,113,605)</b>	<b>(1,784,326,905)</b>	<b>(659,650,071)</b>	<b>(559,789,866)</b>	<b>(1,475,772,468)</b>	<b>(545,473,865)</b>	<b>(462,952,619)</b>	<b>6,026,751,175</b>	<b>(3,222,089,763)</b>
<b>Net assets/(liabilities)</b>	<b>961,312,625</b>	<b>(24,987,333)</b>	<b>165,691,454</b>	<b>4,046,914</b>	<b>1,001,878,298</b>	<b>18,832</b>	<b>18,832</b>	<b>18,832</b>	<b>322,895,444</b>	<b>119,211,891</b>	<b>101,047,392</b>	<b>(1,364,617,224)</b>	<b>1,286,535,959</b>

**SCHEDULE 6**

**INSTRUMENT OF TRANSFER**

Name of the Company: SONIC HOLDINGS II LIMITED

We (name in full) \_\_\_\_\_ (the "Transferor") of

\_\_\_\_\_  
(full address)

in consideration of the sum of [currency] \_\_\_\_\_ paid to us by  
(name in full) \_\_\_\_\_ (hereinafter called "the said  
Transferee") of

\_\_\_\_\_  
(full address)

do hereby transfer to the said Transferee the \_\_\_\_\_ Share(s) standing in our name in the Register of Members of the Company to hold unto the said Transferee his Executors, Administrators or Assigns, subject to the several conditions upon which we hold the same at the time of execution hereof.

Dated this \_\_\_ day of \_\_\_\_\_

**Signed by the Transferor**

\_\_\_\_\_  
Name:  
Authorised Signatory for and on behalf of  
R&F PROPERTIES (HK) COMPANY LIMITED

in the presence of:

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

And the said Transferee agrees to take the Shares

**Signed by the said Transferee**

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Name:  
Authorised Signatory for and on behalf of  
SONIC HOLDINGS I LIMITED

in the presence of:

---

Witness  
Name:

**SCHEDULE 7**

**FORM OF RESIGNATION LETTER**

**To:** SONIC HOLDINGS II LIMITED (the “**Company**”)

To whom it may concern:

I hereby submit this resignation letter, and hereby irrevocably and unconditionally resign as a director of the Company with immediate effect from the date of this letter.

I confirm and acknowledge that I have no claims, demands or disputes (whether for financial compensation, indemnification, loss of office, salary, remuneration or otherwise) against the Company.

Yours faithfully

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

Title:

Date: