

## Project Optimus – Letter of Intent

To: **LONDON ONE LIMITED** (the “Purchaser”)

From: **R&F PROPERTIES (HK) COMPANY LIMITED** 富力地產(香港)有限公司

### Background

- (A) We, R&F Properties (HK) Company Limited 富力地產(香港)有限公司 (the “**Seller**”), are the sole shareholder of R&F International Real Estate Investment Co. Limited (the “**Company**”). The principal asset of the Company and its subsidiaries is the freehold land and buildings known as, as at the date hereof, Market Towers, 1 Nine Elms Lane, London SW8 5NQ registered under title number SGL504521 at HM Land Registry.
- (B) The Purchaser proposes to acquire the entire issued share capital of the Company and the shareholder loan due from the Company to the Seller (the “**Proposed Acquisition**”).
- (C) Pursuant to the terms of the Senior Loan and Mezzanine Loan (each as defined in the SPA), the entry into of any contract or agreement to effect the Proposed Acquisition would, unless consent of the lenders of the Senior Loan and the Mezzanine Loan have been obtained, trigger mandatory prepayment obligations under the Senior Loan and the Mezzanine Loan.
- (D) In the light of the above, the Seller and the Purchaser propose to enter into the share purchase agreement in the form set out in Appendix 1 (the “**SPA**”) on a future date on the terms and subject to the conditions set out in this letter.
- (E) Unless otherwise defined herein, capitalised terms used herein shall have the same meanings as defined in the SPA.

### 1 The SPA

**1.1** Subject to Clause 2, upon the Lenders’ SPA Consent (as defined below) having been obtained, within 10 Business Days after obtaining the Lenders’ SPA Consent:

**1.1.1** the Seller and the Purchaser shall enter into the SPA in such form as set out in Appendix 1, subject to any additions or amendments which the Seller and the Purchaser may otherwise agree; and

**1.1.2** the Seller shall issue the disclosure letter to the Purchaser in such form as set out in Appendix 2 (the “**Disclosure Letter**”), subject to any additions or amendments which the Seller and the Purchaser may otherwise agree.

**1.2** For the avoidance of doubt, neither the Seller nor the Purchaser has any obligation under this letter to enter into the SPA unless the Lender’s SPA Consent has been obtained.

### 2 Consent from lenders

The Seller shall use its reasonable endeavours to procure the respective borrowers under the Senior Loan and the Mezzanine Loan to, as soon as reasonably practicable after the date of this letter, seek consent from the lenders under the Senior Loan and the Mezzanine Loan in accordance with the terms thereof, for the entry into of the SPA (the “**Lenders’ SPA Consent**”). The Purchaser agrees to provide reasonable assistance to the Seller in seeking the Lenders’ SPA Consent.

### **3 Long stop date**

**3.1** Unless the Seller and the Purchaser agree otherwise, this letter shall automatically terminate upon the earliest of:

**3.1.1** the agent under the Senior Loan or the Mezzanine Loan (as the case may be) having notified the borrower under the Senior Loan or the Mezzanine Loan (as the case may be) that the lenders under the Senior Loan or the lenders under the Mezzanine Loan (as the case may be) will not grant the Lenders' SPA Consent;

**3.1.2** the failure to pass the relevant extraordinary resolutions with respect to any series of the Existing Notes pursuant to the upcoming consent solicitation exercise to be conducted by Easy Tactic Limited and the Listed Company in respect of certain proposed amendments and waivers to the terms and conditions of the Existing Notes in relation to and/or resulting from the Proposed Acquisition;

**3.1.3** the shareholders of the Listed Company having voted down the resolution for approving the SPA and the transactions contemplated thereunder at a general meeting of the Listed Company; and

**3.1.4** 31 May 2024.

**3.2** Upon termination of this letter pursuant to Clause 3.1 above, the rights and obligations of each of the Seller and the Purchaser shall cease immediately provided that such termination does not affect rights and obligations which have accrued as at the date of termination of this letter.

### **4 Third party rights**

A person who is not a party to this letter has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) to enforce any term of, or enjoy any benefit under this letter.

### **5 Costs and expenses**

The Seller and the Purchaser shall each bear the respective costs and expenses, including legal, accountancy and other third party professional costs and expenses and all other costs and expenses incurred in connection with this letter.

### **6 Assignment**

Neither party may without the prior written consent of the other party, assign, grant any security interest over, hold on trust or otherwise transfer the benefit of the whole or any part of this letter.

### **7 Notice**

**7.1** Any notice or other communication in connection with this letter (each, a "**Notice**") shall be:

**7.1.1** in writing; and

**7.1.2** delivered by hand, e-mail, recorded or special delivery or courier using an internationally recognised courier company.

- 7.2** A Notice to the Seller shall be sent to the following address, or to such other person or address as the Seller may notify to the Purchaser in writing from time to time:

R&F Properties (HK) Company Limited

Room 6303, The Center, No. 99 Queen's Road Central, Hong Kong

E-mail: leem@rfchina.com.hk / wtsm@rfchina.com.hk

Attention: Mr. Li Sze Lim / Mr. Lee Michael

- 7.3** A Notice to the Purchaser shall be sent to the following address, or to such other person or address as the Purchaser may notify to the Seller in writing from time to time:

The Purchaser

c/o Room 3305, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong

E-mail: comsec.project@cqgroup.com.hk

Attention: Samson Cheung

## **8 Counterparts**

This letter may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. The Seller and the Purchaser may enter into this letter by executing any such counterpart.

## **9 Governing law**

This letter and any non-contractual obligations arising out of or in connection with this letter are governed by and shall be construed in accordance with Hong Kong law.

## **10 Dispute resolution**

Each of the Seller and the Purchaser irrevocably agrees that the Courts of Hong Kong are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this letter and the documents to be entered into pursuant to it and that accordingly any proceedings arising out of or in connection with this letter and the documents to be entered into pursuant to it shall be brought in such courts. Each of the Seller and the Purchaser irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

## **11 Appointment of Process Agent**

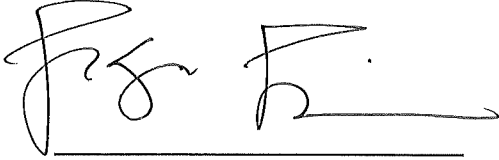
- 11.1** The Purchaser hereby irrevocably appoints Evermax Enterprises Limited of Room 3305, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong as its agent to accept service of process in Hong Kong in any legal action or proceedings arising out of or in connection with this letter, service upon whom shall be deemed completed whether or not forwarded to or received by the Purchaser.
- 11.2** The Purchaser shall inform the Seller in writing of any change of address of such process agent within 14 days of such change.

- 11.3** If such process agent ceases to be able to act as such or to have an address in Hong Kong, the Purchaser irrevocably agrees to appoint a new process agent in Hong Kong acceptable to the Seller and to deliver to the Seller within 14 days a copy of a written acceptance of appointment by the process agent.
- 11.4** Nothing in this letter shall affect the right to serve process in any other manner permitted by law.

Yours faithfully,

For and on behalf of

**R&F Properties (HK) Company Limited 富力地產(香港)有限公司**

A handwritten signature in black ink, consisting of stylized Chinese characters, positioned above a horizontal line.

Director

Date: 6 February 2024

Acknowledged and agreed by:

For and on behalf of

**LONDON ONE LIMITED**

A handwritten signature in black ink, appearing to be 'J. Smith', is written over a horizontal line. A vertical line descends from the end of the signature, crossing the horizontal line.

Director

Date: 6 FEBRUARY 2024

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**APPENDIX 1**  
**FORM OF THE SPA**

## SHARE PURCHASE AGREEMENT

relating to the sale and purchase of the entire issued share capital of R&F International Real Estate Investment Co. Limited 富力國際地產投資有限公司 and the transfer of the Shareholder Loan

Dated [●]

R&F PROPERTIES (HK) COMPANY LIMITED 富力地產(香港)有限公司

and

LONDON ONE LIMITED

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## Share Purchase Agreement

This Agreement is made on [●] 2024

between:

- (1) **R&F PROPERTIES (HK) COMPANY LIMITED** 富力地產(香港)有限公司 a company incorporated in Hong Kong with limited liability whose registered office is at Room 6303, The Center, No. 99 Queen's Road Central, Hong Kong (the "**Seller**"); and
- (2) **LONDON ONE LIMITED** a company incorporated in the Cayman Islands whose registered office is at Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands (the "**Purchaser**").

Whereas:

- (A) The Seller has agreed to sell the Shares (as defined below) and to sell and transfer the Shareholder Loan (as defined below) and to assume the obligations imposed on the Seller under this Agreement;
- (B) The Purchaser has agreed to purchase the Shares and to purchase and accept the transfer of the Shareholder Loan and to assume the obligations imposed on the Purchaser under this Agreement.

It is agreed as follows:

### 1 Interpretation

In this Agreement, unless the context otherwise requires, the provisions in this Clause 1 apply:

#### 1.1 Definitions

"**Accounts**" means the audited financial statements (including the notes thereto) of each of the Target Group Companies as follows:

- (i) with respect to the Company, for each of the accounting reference period ended on 31 December 2020, 31 December 2021 and 31 December 2022;
- (ii) with respect to each of R&F International Sub 1 Limited, R&F International Sub 2 Limited and R&F International Sub 3 Limited, for the period from 11 May 2022 to 31 December 2022; and
- (iii) with respect to R&F One (UK) Limited and R&F One Nine Elms (UK) Limited, for each of the accounting reference period ended on 31 December 2020, 31 December 2021 and 31 December 2022;

"**Accounts Date**" means each of the following dates, as applicable:

- (i) with respect to the Company, 31 December 2020, 31 December 2021 and 31 December 2022;
- (ii) with respect to each of R&F International Sub 1 Limited, R&F International Sub 2 Limited and R&F International Sub 3 Limited, 31 December 2022; and
- (iii) with respect to R&F One (UK) Limited and R&F One Nine Elms (UK) Limited, 31 December 2020, 31 December 2021 and 31 December 2022;

**"Additional Management Accounts"** means any unaudited management accounts of any of the Target Group Companies provided to the Purchaser pursuant to Clause 5.5;

**"Affiliate"** means, in relation to any person, any subsidiary or holding company of that person and any subsidiary of any such holding company;

**"Agreed Terms"** means, in relation to a document, such document in the terms agreed between the Seller and the Purchaser and signed for identification (or exchanged by e-mail) by or on behalf of the Seller and the Purchaser with such alterations as may be agreed in writing between the Seller and the Purchaser from time to time;

**"Building Contract"** means the main building contract between R&F One (UK) Limited and Multiplex Construction Europe Limited dated 3 August 2017, as further varied by the Deeds of Variation dated 13 December 2019 and 26 May 2022 respectively in connection with the carrying out and completion of the construction works required for the development of the Property and the Project;

**"Business Day"** means a day (other than a Saturday, a Sunday or a public holiday in Hong Kong and any day on which a tropical cyclone warning no. 8 or above or a "black" rain warning signal is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks are open in Hong Kong for general commercial business;

**"Claim"** means a claim against the Seller either for breach of or under this Agreement or any other Transaction Document;

**"Closing"** means the completion of the sale of the Shares and the transfer of the Shareholder Loan pursuant to Clauses 6.1 and 6.2;

**"Closing Date"** means the date on which Closing takes place;

**"Company"** means R&F International Real Estate Investment Co. Limited 富力國際地產投資有限公司, details of which are set out in Schedule 1;

**"Company Insurance Policies"** means all insurance policies held exclusively by and for the benefit of any Target Group Company and **"Company Insurance Policy"** means any one of them;

**"Consent Solicitation"** means a solicitation of consents from holders of the Existing Notes to certain amendments and/or waivers in relation to the Existing Notes;

**"Consent Solicitation Memorandum"** means a consent solicitation memorandum to be issued by Easy Tactic Limited and/or the Listed Company in relation to the Consent Solicitation;

**"Consideration"** has the meaning given to it in Clause 3.1;

**"Data Room"** means the electronic data room made available online at <https://clients.linklaters.com/linklaters/documentHome.action?metaData.siteID=38909&metaData.parentFolderID=763804&metaData.moduleView=columnView&metaData.paginationNo=0&metaData.loadMoreNo=0&sortOrder=0&filterShared=0> containing documents and information relating to the Target Group, the contents of which are listed in the Schedule to the Disclosure Letter;

**"Development Documents"** means the relevant licences, permits, plans, approvals required for the development of the Project and **"Development Document"** means any of them;

**“Disclosed”** means any event, circumstance, fact, loss or other matter (i) fairly disclosed in or pursuant to this Agreement, the Disclosure Letter or any Updated Disclosure Letter, as applicable (in each case, including the documents provided in the Data Room and any other documents contained or deemed to be contained in the Disclosure Letter or any Updated Disclosure Letter, as applicable); (ii) set out in the vendor financial due diligence report issued by KPMG dated [●]; (iii) set out in the material overview report addressed to the Purchaser prepared by Linklaters LLP as described in clause 4.1.7; and (iv) disclosed or to be disclosed in the announcements and circulars to be issued by the Listed Company in relation to the transactions contemplated under the Transaction Documents in compliance with the Listing Rules, provided that such event, circumstance, fact, loss or other matter are disclosed in sufficient detail to enable the Purchaser to assess the nature, scope and extent of the matter disclosed, and **“Disclosure”** shall be construed accordingly;

**“Disclosure Letter”** means the letter dated on the same date as this Agreement from the Seller to the Purchaser disclosing:

- (i) information constituting exceptions to the Seller’s Warranties; and
- (ii) details of other matters referred to in this Agreement;

**“Encumbrance”** means any claim, charge, mortgage, lien, option, equitable right, power of sale, pledge, hypothecation, retention of title, right of pre-emption, right of first refusal or other third party right or security interest of any kind or an agreement, arrangement or obligation to create any of the foregoing;

**“Environment”** means all or any of the following media (alone or in combination): air (including the air within buildings and the air within other natural or man-made structures whether above or below ground); water (including water under or within land or in drains or sewers); soil and land and any ecological systems and living organisms supported by any of those media, including people and their property;

**“Environmental Law”** means all applicable laws (including, for the avoidance of doubt, common law), statutes, regulations, statutory guidance notes and final and binding court and other tribunal decisions whose purpose is to protect, or prevent pollution of, the Environment or to regulate emissions, discharges, or releases of Hazardous Substances into the Environment, or to regulate the use, treatment, storage, burial, disposal, transportation or handling of Hazardous Substances, and all bye-laws, codes, regulations, decrees or orders issued or promulgated or approved thereunder or in connection therewith if and to the extent that the same have force of law as at the date of this Agreement;

**“Environmental Permit”** means any licence, approval, authorisation, permission, notification, waiver, order or exemption which is issued, granted or required under Environmental Law;

**“Exchange Offers”** means the two parallel exchange offers to be conducted by the Purchaser to invite eligible holders of the Existing Notes to tender their Existing Notes in exchange for new perpetual instruments to be issued by the Purchaser;

**“Existing Notes”** means the (i) 6.5% Cash / 7.5% PIK Senior Notes due 2025 issued by Easy Tactic Limited (ISIN: XS2495355674; Common Code: 249535567), (ii) the 6.5% Cash / 7.5% PIK Senior Notes due 2027 issued by Easy Tactic Limited (ISIN: XS2495358009; Common Code: 249535800) and (iii) the 6.5% Cash / 7.5% PIK Senior Notes due 2028 issued by Easy Tactic Limited (ISIN: XS2495359403; Common Code: 249535940);

**“Hazardous Substances”** means any natural or artificial substance of any nature whatsoever (whether in the form of a solid, liquid, gas or vapour alone or in combination with any other substance) which is capable of causing harm or damage to the Environment or to worker health and safety;

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

**“Intellectual Property Rights”** means trade marks, service marks, rights in trade names, business names, logos and trade dress, rights to sue for passing off and in unfair competition, patents, utility models, rights in inventions, design rights, copyrights and related rights (including rights in computer software), database rights, rights in domain names, URLs and social media accounts, rights in confidential information, trade secrets, and all other similar rights in any part of the world, including any registration of such rights and applications and rights to apply for such registrations;

**“Listed Company”** means Guangzhou R&F Properties Co., Ltd. (2777.HK);

**“Listed Company Shareholder Approval”** means approval of the transactions contemplated under the Transaction Documents by the shareholders of the Listed Company at an extraordinary general meeting in accordance with the Listing Rules;

**“Listing Rules”** means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited;

**“Losses”** means all losses, liabilities, costs (including legal costs and experts’ and consultants’ fees), charges, expenses, actions, proceedings, claims and demands;

**“Management Accounts”** means the unaudited financial statements (including the notes thereto) of each of the Target Group Companies that have been provided to the Purchaser as follows:

- (i) with respect to the Company, for the nine months ended 30 September 2023;
- (ii) with respect to each of R&F International Sub 1 Limited, R&F International Sub 2 Limited and R&F International Sub 3 Limited, for the nine months ended 30 September 2023; and
- (iii) with respect to R&F One (UK) Limited and R&F One Nine Elms (UK) Limited, for the nine months ended 30 September 2023;

**“Management Accounts Date”** means 30 September 2023;

**“Mezzanine Loan”** means the loan in initial principal amount of up to £232,200,000 pursuant to the mezzanine facility agreement dated 31 May 2022 for R&F International Sub 2 Limited as borrower with Situs Asset Management Limited acting as Agent and Situs Asset Management Limited acting as Mezzanine Security Agent;

**“Occupational Documents”** means leases, licences, tenancies and other similar agreements or arrangements giving rise to rights of occupation to which the Property is subject, together with any document varying, supplemental or ancillary to them, details of which are set out in the Data Room and **“Occupational Document”** means any of them;

**“Practical Completion”** means the date on which the Practical Completion Certificate is issued, and where the context requires also means practical completion of the Project as evidenced by the issuance of the Practical Completion Certificate;

**“Practical Completion Certificate”** means the certificate or statement of practical completion issued under the Building Contract;

**“Project”** has the meaning given to it in Clause 5.1.2(xvii);

**“Property”** means [the freehold land and buildings known as, as at the date of this Agreement, Market Towers, 1 Nine Elms Lane, London SW8 5NQ registered under title number SGL504521 at HM Land Registry];

**“Purchaser’s Group”** means the Purchaser and its holding companies and subsidiaries and any subsidiary of any such holding company from time to time;

**“Relevant Contracts”** has the meaning given to it in paragraph 7.4.1 of Schedule 3;

**“Seller’s Group”** means the Seller and its holding companies and subsidiaries and any subsidiary of any such holding company from time to time;

**“Seller’s Lawyers”** means Taylor Wessing;

**“Seller’s Warranties”** means the warranties and representations given by the Seller pursuant to Clause 7.1 and Schedule 3 and **“Seller’s Warranty”** means any one of them;

**“Senior Loan”** means the loan in initial principal amount of up to £540,200,000 pursuant to the senior facility agreement dated 31 May 2022 for R&F One (UK) Limited as borrower with Situs Asset Management Limited acting as Agent and Situs Asset Management Limited acting as Common Security Agent;

**“Share Consideration”** has the meaning given to it in Clause 3.1;

**“Shareholder Loan”** means all principal and interest owed by the Company to the Seller as at Closing;

**“Shareholder Loan Consideration”** has the meaning given to it in Clause 3.1;

**“Shares”** means 100 ordinary shares, being all of the issued shares of the Company;

**“Stamp Duty”** has the meaning given to it in Clause 6.5.1;

**“Straddle Period”** means any Tax period during which Closing falls;

**“Subsidiaries”** means subsidiaries of the Company from time to time, and **“Subsidiary”** means any one of them;

**“Surviving Clauses”** means Clauses 1, 11 and 12.2 to 12.12 (inclusive) and **“Surviving Clause”** means any one of them;

**“Target Group”** means the Company and its subsidiaries, details of which are set out in Schedule 1, and **“Target Group Company”** means any one of them;

**“Taxation”** or **“Tax”** means all forms of taxation (other than deferred tax) and statutory, governmental, state, provincial, local governmental or municipal impositions, duties, contributions and levies, in each case in the nature of tax, whether levied by reference to income, profits, gains, net wealth, asset values, turnover, added value or otherwise and shall further include payments to a Tax Authority on account of Tax;

**“Tax Authority”** means any taxing or other authority competent to impose any liability in respect of Taxation or responsible for the administration and/or collection of Taxation or enforcement of any law in relation to Taxation;

**“Tax Claim”** means a Claim in relation to Tax;

**“Tax Indemnity”** means the covenant against Taxation set out in Schedule 5;

**“Tax Return”** means any report, return, declaration, claim for refund, or information return or statement related to Taxes that is required to be supplied to a Tax Authority, including any schedule or attachment thereto, and including any amendment thereof;

**“Third Party Claim”** has the meaning given to it in Clause 9.3;

**“Title or Capacity Warranties”** means the warranties and representations set out in paragraphs 1, 2.1, 5.2.1 and 14 of Schedule 3 and **“Title or Capacity Warranty”** means any one of them;

**“Transaction Documents”** means this Agreement, the Disclosure Letter, any Updated Disclosure Letter and all documents entered into pursuant to this Agreement and **“Transaction Document”** means any one of them;

**“Transaction Expenses”** shall have the meaning given to it in Clause 12.6.1;

**“Updated Disclosure Letter”** means the letter (if any) to be sent from the Seller to the Purchaser no later than three Business Days prior to Closing, disclosing information constituting exceptions to the repeated Seller’s Warranties in respect of events, circumstances, facts, losses or other matters which occurred during the period between the date of this Agreement and the date of the letter and which may form updates to the Disclosure Letter; and

**“VAT”** means (i) within the UK, any value added tax imposed by the VAT Act 1994, (ii) within the European Union, such Taxation as may be levied in accordance with (but subject to derogations from) the Directive 2006/112/EC and (iii) outside the UK or the European Union, any similar Taxation levied by reference to added value or sales.

## **1.2 Modification etc. of statutes**

References to a statute or statutory provision include:

- 1.2.1 that statute or provision as from time to time modified, re-enacted or consolidated whether before or after the date of this Agreement;
- 1.2.2 any past statute or statutory provision (as from time to time modified, re-enacted or consolidated) which that statute or statutory provision has directly or indirectly replaced; and
- 1.2.3 any subordinate legislation made from time to time under that statute or statutory provision.

## **1.3 Singular, plural, gender**

References to one gender include all genders and references to the singular include the plural and vice versa.

## **1.4 References to persons and companies**

References to:

- 1.4.1 a person includes any company, partnership or unincorporated association (whether or not having separate legal personality); and
- 1.4.2 a company include any company, corporation or body corporate, wherever incorporated.

### **1.5 References to subsidiaries and holding companies**

The expressions “holding company” and “subsidiary” shall have the meaning given in the Companies Ordinance (Cap. 622 of the Laws of Hong Kong).

### **1.6 Schedules etc.**

References to this Agreement shall include any Recitals and Schedules to it and references to Clauses and Schedules are to Clauses of, and Schedules to, this Agreement. References to paragraphs and Parts are to paragraphs and Parts of the Schedules.

### **1.7 Headings**

Headings shall be ignored in interpreting this Agreement.

### **1.8 Reference to documents**

References to any document (including this Agreement and any document in the Agreed Terms), or to a provision in a document, shall be construed as a reference to such document or provision as amended, supplemented, modified, restated or novated from time to time.

### **1.9 Information**

References to books, records or other information mean books, records or other information in any form, including paper, electronically stored data, magnetic media, film and microfilm.

### **1.10 Legal Terms**

References to any Hong Kong legal term shall, in respect of any jurisdiction other than Hong Kong, be construed as references to the term or concept which most nearly corresponds to it in that jurisdiction.

### **1.11 Non-limiting effect of words**

The words “including”, “include”, “in particular” and words of similar effect shall not be deemed to limit the general effect of the words that precede them.

### **1.12 Meaning of “to the extent that” and similar expressions**

In this Agreement, “to the extent that” shall mean “to the extent that” and not solely “if”, and similar expressions shall be construed in the same way.

## **2 Sale and Purchase of the Shares and transfer of the Shareholder Loan**

**2.1** On and subject to the terms of this Agreement, the Seller shall sell, and the Purchaser shall purchase, the Shares and the Seller shall sell and transfer, and the Purchaser shall purchase and accept, the transfer of the Shareholder Loan.

**2.2** The Shares and the Shareholder Loan shall be sold by the Seller with full title guarantee free from Encumbrances and together with all rights and advantages attaching to them as at Closing (including the right to receive all dividends or distributions declared, made or paid on or after Closing).

- 2.3** The Seller shall procure that on or prior to Closing any and all rights of pre-emption over the Shares and the Shareholder Loan are waived irrevocably by the persons entitled thereto.

### **3 Consideration**

#### **3.1 Amount**

The consideration for the purchase of the Shares and the Shareholder Loan under this Agreement shall be as follows:

- 3.1.1** the consideration for the Shares shall be HK\$1.00 (the “**Share Consideration**”) which shall be settled in cash as stipulated in paragraph 2.1.3 of Schedule 2; and
- 3.1.2** the consideration for the Shareholder Loan shall be all the Existing Notes to be received by the Purchaser under the Exchange Offers as stipulated in paragraph 2.1.3 of Schedule 2 and the minimum principal amount of all such Existing Notes shall be US\$800 million (the “**Shareholder Loan Consideration**”, together with the Share Consideration, the “**Consideration**”).

#### **3.2 Payment of Consideration**

The Consideration shall be delivered by the Purchaser on Closing in accordance with and pursuant to Schedule 2.

#### **3.3 Adjustment to Consideration**

If any payment is made by the Seller to the Purchaser in respect of any claim for any breach of this Agreement or pursuant to an indemnity or covenant to pay under this Agreement (or any agreement entered into under this Agreement), the payment shall, if and to the extent permitted by law, be treated as an adjustment of the Consideration paid by the Purchaser under this Agreement and the Consideration shall be deemed to have been reduced by the amount of such payment.

### **4 Conditions**

#### **4.1 Conditions Precedent**

The sale and purchase of the Shares and the sale, purchase and transfer of the Shareholder Loan is conditional upon satisfaction or waiver of the following conditions, or their satisfaction subject only to Closing:

- 4.1.1** the Senior Loan and the Mezzanine Loan have been fully and finally discharged or the consent to the change of control of the Target Group contemplated under this Agreement having been obtained from the respective lenders of the Senior Loan and the Mezzanine Loan, and the respective lenders of the Senior Loan and the Mezzanine Loan having irrevocably and unconditionally agreed to release and discharge all the security, guarantees and undertakings given by the Seller and/or any of its Affiliates (other than the Target Group Companies) in respect of the Senior Loan and the Mezzanine Loan with effect from Closing;
- 4.1.2** a certificate of title in respect of the Property as of a date which is no more than three Business Days prior to the agreed date for Closing in the Agreed Terms having been issued by the Seller’s Lawyers;

- 4.1.3 the occurrence of Practical Completion;
- 4.1.4 the Listed Company Shareholder Approval having been obtained;
- 4.1.5 the approval of the Extraordinary Resolution (as defined in the Consent Solicitation Memorandum) by the requisite majority of holders in respect of each series of Existing Notes;
- 4.1.6 the Purchaser having completed legal and financial due diligence on the Target Group, and the results of such due diligence being satisfactory to the Purchaser; and
- 4.1.7 a material overview report addressed to the Purchaser on the certificate of title and reports referred to in clause 4.1.2 prepared by Linklaters LLP in a form satisfactory to the Purchaser.

## **4.2 Responsibility for Satisfaction**

- 4.2.1 The Seller shall use reasonable endeavours to ensure the satisfaction of the conditions set out in Clauses 4.1.2, 4.1.3 and 4.1.4 and the Purchaser shall use reasonable endeavours to ensure the satisfaction of the conditions set out in Clauses 4.1.1, 4.1.6 and 4.1.7, in each case, as soon as possible. The Seller shall provide reasonable assistance to the Purchaser to facilitate the satisfaction of the condition set out in Clause 4.1.1. Each party shall provide reasonable assistance to each other to facilitate the satisfaction of the condition set out in Clause 4.1.5. For the avoidance of doubt, the funds for the discharge of the Senior Loan and the Mezzanine Loan will be provided or arranged by the Purchaser and neither the Seller nor any of the Target Group Companies shall be responsible for the discharge of the Senior Loan and the Mezzanine Loan referred to in Clause 4.1.1.
- 4.2.2 Without prejudice to Clause 4.2.1, the Seller and the Purchaser agree that all requests and enquiries from any government, governmental, supranational or trade agency, court or other regulatory body shall be dealt with by the Seller and the Purchaser in consultation with each other and the Seller and the Purchaser shall promptly co-operate with and provide all necessary information and assistance reasonably required by such government, governmental, supranational or trade agency, court or other regulatory body or otherwise necessary for obtaining any clearances, approvals or consents in respect of the transactions contemplated by the Transaction Documents upon being requested to do so by the other.
- 4.2.3 The party responsible for satisfaction of each condition pursuant to this Clause 4.2 shall give notice to the other party of the satisfaction of the relevant conditions within three Business Days of becoming aware of the same.

## **4.3 Non-Satisfaction/Waiver**

- 4.3.1 The Purchaser may at any time waive in whole or in part and conditionally or unconditionally the conditions set out in Clause 4.1 (except Clauses 4.1.1, 4.1.4 and 4.1.5) by notice in writing to the Seller.
- 4.3.2 If any of the conditions in Clause 4.1 are not satisfied or waived by 5.00 p.m. (Hong Kong time) on the date falling 270 days after the date of this Agreement (or such later date as the Seller and the Purchaser may agree in writing), this Agreement (other than the Surviving Clauses) shall thereupon terminate and neither the Seller

nor the Purchaser shall have any claim against the other under this Agreement, save for any claim arising from breach of any obligation contained in Clause 4.2.

## **5 Pre-Closing**

### **5.1 The Seller's Obligations in Relation to the Conduct of Business**

5.1.1 The Seller undertakes to procure that between the date of this Agreement and Closing, each Target Group Company shall carry on its business as a going concern in the ordinary and usual course as carried on prior to the date of this Agreement, save insofar as agreed in writing by the Purchaser.

5.1.2 Without prejudice to the generality of Clause 5.1.1 and subject to Clause 5.2, the Seller undertakes to procure that, between the date of this Agreement and Closing, each Target Group Company shall not, except as may be required to give effect to and comply with the Transaction Documents or required by applicable law, without the prior written consent of the Purchaser (such consent not to be unreasonably withheld or delayed):

- (i) enter into, or exercise an option in relation to, or amend, any contract, liability or commitment which (a) involves or may involve expenditure or liability in excess of £300,000 or its equivalent (exclusive of any VAT), (b) which is not capable of being terminated without compensation at any time with one month's notice or less, or (c) is not in the ordinary and usual course of business as carried on prior to this Agreement;
- (ii) acquire, or agree to acquire, any asset or stock or enter into or amend any material agreement or incur any material commitment to do so, involving consideration, expenditure or liabilities in excess of £300,000 or its equivalent, exclusive of VAT;
- (iii) dispose of, or agree to dispose of, any asset or stock;
- (iv) acquire or agree to acquire any share, shares or other interest in any company, partnership or other venture or merge or consolidate with a corporate body, partnership or any other person or participate in any other type of corporate reconstruction;
- (v) enter into any partnership, joint venture or other profit-sharing agreement;
- (vi) create, allot or issue any share capital or loan capital;
- (vii) give or agree to give any option, right to acquire or call (whether by conversion, subscription or otherwise) in respect of any of its share capital or loan capital;
- (viii) repay, redeem or repurchase any share capital or loan capital or any uncalled or unpaid liability in respect thereof, or any capital redemption reserve, share premium account or other reserve that is not freely distributable;
- (ix) declare, make or pay any dividend or other distribution to shareholders;
- (x) repay, acquire, redeem, create or incur any borrowings or other indebtedness or obligation in the nature of borrowings (including the Shareholder Loan but excluding the Senior Loan and the Mezzanine Loan)

otherwise than in the ordinary course of business as carried on prior to the date of this Agreement;

- (xi) make any advance, loan or deposit of money or cancel, release or assign any indebtedness owed to it otherwise than in the ordinary course of business as carried on prior to this Agreement;
- (xii) pass any resolution by its members or amend its articles of association;
- (xiii) institute or settle or abandon any legal proceedings or make any admission of liability by or on behalf of any Target Group Company in relation to claims except for debt collection in the ordinary and usual course of business;
- (xiv) amend, to any material extent, any of the terms on which goods, facilities or services are supplied;
- (xv) enter into any transaction with any person otherwise than at arms' length;
- (xvi) make any proposal for the winding-up or liquidation of any Target Group Company; or
- (xvii) in relation to the Property and a mixed-use development comprising a hotel, retail space and residential apartments at One Nine Elms, and any ongoing construction and development in relation to the Property (together the "**Project**"), in each case otherwise than in the ordinary course of the carrying out and completion of the construction works required for the development of the Project:
  - (a) apply for any planning permission or implement any planning permission already obtained but not implemented;
  - (b) carry out any material structural alteration or addition to, or materially effect any change of use of, such Project;
  - (c) terminate or serve any notice to terminate, surrender or accept any surrender of or waive the terms of any lease, tenancy or licence;
  - (d) agree any new rent or fee payable under any lease, tenancy, licence or other commitment;
  - (e) enter into lease, tenancy, licence or other commitment or part with or share possession or occupation of the Project or enter into an agreement or arrangement to do so (other than those already in existence as at the date of this Agreement);
  - (f) vary any agreement, lease, tenancy, licence or other commitment, including but not limited to agreements relating hotel services and residential services entered or to be entered with Hyatt International (Europe Africa Middle East) LLC and/or any of its subsidiaries;
  - (g) sell, convey, transfer, assign or charge the Project or grant any rights or easements over the Project (other than those already in existence as at the date of this Agreement) or enter into any covenants or other Encumbrance affecting the Project or agree to do any of the foregoing;
- (xviii) enter into any guarantee, indemnity or other agreement to secure any obligation of a third party or create any Encumbrance over any of its assets

or undertaking in any such case (other than those already in existence as at the date of this Agreement);

- (xix) change its auditors or make any change to its accounting practices or policies, except where such change is recommended by its auditors as a consequence of a change in generally accepted accounting practices or policies applicable to companies carrying on businesses of a similar nature, or as a consequence of a change in law or accounting rules; or
- (xx) vary any terms of any of its policies of insurance, knowingly take any action which may invalidate any of its policies of insurance or take out any additional or replacement policies of insurance (other than renewals of the policies of insurance on substantially the same terms as those in force at the date of this Agreement).

## **5.2 Exceptions to Seller's Obligations in Relation to the Conduct of Business**

Clause 5.1 shall not operate so as to prevent or restrict any action required to be undertaken to comply with applicable legal or regulatory requirements, provided that the Seller shall (i) notify the Purchaser as soon as reasonably practicable of any action taken or proposed to be taken pursuant to this Clause 5.2 and provide all such information as the Purchaser may reasonably request; and (ii) use reasonable endeavours to consult with the Purchaser in respect of any such action.

## **5.3 Insurance**

Without prejudice to the generality of Clause 5.1.1, between the date of this Agreement and Closing:

- 5.3.1** the Seller shall and/or shall procure that the relevant members of the Seller's Group shall maintain in force all Company Insurance Policies in all material respects on the same terms and with a similar level of cover to that prevailing at the date of this Agreement inter alia for the benefit of any of the Target Group Company; and
- 5.3.2** the Seller shall not, and/or shall procure that the relevant members of the Seller's Group shall not, without the prior written consent of the Purchaser (such consent not to be unreasonably withheld or delayed), settle any insurance claim made by or on behalf of any Target Group Company materially below the amount claimed.

## **5.4 Other Seller's Obligations Prior to Closing**

Without prejudice to the generality of Clause 5.1.1, prior to Closing the Seller shall, and shall procure that the Target Group shall allow the Purchaser and its agents, upon reasonable notice, reasonable access to, and to take copies of, the books, records and documents of or relating in whole or in part to the Target Group in order to enable the Purchaser to carry out a legal and financial due diligence review and investigation on the assets, liabilities and business and operations of the Target Group including but not limited to a title investigation on the Property, provided that the obligations of the Seller under this Clause 5.4 shall not extend to allowing access to information which is (i) reasonably regarded as confidential to the activities of the Seller otherwise than in relation to the Target Group or (ii) commercially sensitive information of the Target Group, if such information cannot be shared with the Purchaser prior to Closing in compliance with applicable law.

## **5.5 Additional Management Accounts**

Between the date of this Agreement and Closing, to the extent already or will be prepared by the Seller or the Listed Company, the Seller shall provide to the Purchaser the latest unaudited quarterly management accounts of each member of the Target Group Companies as and when such management accounts are available.

## **6 Closing**

### **6.1 Date and Place**

Subject to Clause 4, Closing shall take place at the office of Linklaters in Hong Kong on the third Business Day following notification of the fulfilment or waiver of the conditions set out in Clause 4.1 or at such other location or date as may be agreed between the Purchaser and the Seller.

### **6.2 Closing Events**

On Closing, the Seller and the Purchaser shall comply with their respective obligations specified in Schedule 2.

### **6.3 Sale and purchase of the Shares and transfer of the Shareholder Loan**

**6.3.1** The Purchaser is not obliged to purchase any of the Shares or the Shareholder Loan unless the Seller sells all of the Shares and the Shareholder Loan simultaneously.

**6.3.2** The Seller is not obliged to sell any of the Shares or the Shareholder Loan unless the Purchaser purchases all of the Shares and the Shareholder Loan simultaneously.

### **6.4 Breach of Closing Obligations**

If a party fails to comply with any material obligation in this Clause 6 and Schedule 2, the Purchaser, in the case of non-compliance by the Seller, or the Seller, in the case of non-compliance by the Purchaser, shall be entitled (without prejudice to the right to claim damages or other compensation) by written notice to the other:

**6.4.1** to effect Closing so far as practicable having regard to the defaults which have occurred; or

**6.4.2** to fix a new date for Closing (being not less than five Business Days after the agreed date for Closing) in which case the provisions of Schedule 2 shall apply to Closing as so deferred; or

**6.4.3** where it has previously deferred Closing for at least five Business Days pursuant to Clause 6.4.2, to terminate this Agreement (other than the Surviving Clauses) without liability on its part.

### **6.5 Registration, Stamp, Transfer Taxes and Duties**

**6.5.1** Each party shall bear its own registration, stamp and transfer taxes and duties or their equivalents in all jurisdictions where such fees, taxes and duties are payable as a result of the transactions contemplated by this Agreement. All stamp duty ("**Stamp Duty**") that is payable as a result of the sale and purchase of the Shares and the Shareholder Loan shall be borne equally between the Purchaser and the Seller.

- 6.5.2** The Purchaser shall arrange: (i) the payment of any Stamp Duty, including fulfilling any administrative obligation imposed by the Inland Revenue Department Stamp Office of Hong Kong ("**HK Stamp Office**") in connection with such payment; and (ii) the delivery the documents set out in paragraph 1.1.4 of Schedule 2 (as provided by the Seller) to the HK Stamp Office, in each case within the time limit imposed by the HK Stamp Office, and shall promptly provide evidence to the Seller of such payment and delivery.
- 6.5.3** The Purchaser shall pay to the Seller an amount equal to any Losses suffered by the Seller as a result of the Purchaser failing to comply with its obligations under Clause 6.5.2.
- 6.5.4** The Seller shall:
- (i) promptly provide the Purchaser with any further documents and information of the Company as may be required by the HK Stamp Office for the purpose of such payment of the Stamp Duty (in addition to the documents set out in paragraph 1.1.4 of Schedule 2) upon written notification by the Purchaser; and
  - (ii) if, following Closing, the final amount of Stamp Duty to be paid by the Seller as adjudicated by the HK Stamp Office is greater than the amount paid by the Seller pursuant to paragraph 3 of Schedule 2, promptly pay to the Purchaser (or as otherwise directed by the Purchaser) such additional amounts as are necessary to ensure that the Seller bears the full amount of any Stamp Duty for which the Seller is liable under Clause 6.5.1 upon written notification by the Purchaser (with evidence of such adjudication from the HK Stamp Office).
- 6.5.5** The Seller shall pay to the Purchaser an amount equal to any Losses suffered by the Purchaser as a result of the Seller failing to comply with its obligations under Clause 6.5.4.
- 6.5.6** If: (a) a Tax relief, deduction, allowance or credit attributable to a matter or circumstance giving rise to a payment by the Seller pursuant to a Claim (the "**Relief**") has been obtained by a Target Group Company; (b) the Seller has promptly satisfied its obligation in full to make payment in respect of the relevant Claim; and (c) the Relief has been successfully used to either receive a refund of Tax from a Tax Authority or reduce or eliminate a liability of a Target Group Company to make an actual payment of Tax relating to any Tax period commencing after the Closing Date and the Straddle Period ("**Tax Saving**"), then the Purchaser shall pay to the Seller an amount which is equal to the Tax Saving (less any reasonable costs and expenses incurred in obtaining or using such Relief) within ten (10) Business Days after the actual utilisation of the relevant Tax Saving, provided that such payment shall in no event be greater than the amount paid by the Seller pursuant to the relevant Claim under (a).
- 6.5.7** The Purchaser shall not, without the prior written consent of the Seller (such consent not to be unreasonably withheld or delayed), file or cause to be filed any amended Tax Return or claim for Tax refund in relation to the Straddle Period.

## **7 Warranties**

### **7.1 The Seller's Warranties**

- 7.1.1 Subject to Clause 7.2, the Seller warrants to the Purchaser that the statements set out in Schedule 3 are true and accurate and not misleading as of the date of this Agreement.
- 7.1.2 The Seller acknowledges and agrees that the Purchaser has entered into this Agreement in reliance upon the Seller's Warranties.
- 7.1.3 Each of the Seller's Warranties shall be separate and independent and, except as otherwise expressly provided in this Agreement, shall not be limited by reference to any other Seller's Warranty or by anything in this Agreement or in the Tax Indemnity.
- 7.1.4 Any Seller's Warranty qualified by the Seller's awareness or any similar expression shall, unless otherwise stated, be deemed to refer to the actual knowledge of the directors of each of the Target Group Companies and the Seller who shall be deemed to have knowledge of such matters as they would have discovered, had they made due and reasonable enquiries.

### **7.2 Seller's Disclosures**

- 7.2.1 The Seller's Warranties are subject to the matters which are Disclosed. The Purchaser agrees that it shall not be entitled to claim that any event, circumstance, fact, loss or other matter causes any of the Seller's Warranties to be breached if it has been Disclosed.
- 7.2.2 The presence or absence of the language "save as Disclosed" or words of similar import in the Seller's Warranties shall not be deemed to limit in any way the effectiveness of the disclosures set forth therein. References in the Disclosure Letter and Updated Disclosure Letter to paragraph numbers shall be to the paragraphs in Schedule 3 to which the disclosure is most likely to relate. Such references are given for convenience only and shall not limit the effect of any of the disclosures, all of which are made against the Seller's Warranties as a whole.

### **7.3 Notification**

- 7.3.1 If after the signing of this Agreement:
  - (i) the Seller becomes aware that any of the Seller's Warranties was untrue or inaccurate or misleading in any material respect as of the signing of this Agreement; or
  - (ii) any event occurs or matter arises of which the Seller becomes aware which results or may result in any of the Seller's Warranties being untrue, inaccurate or misleading in any material respect at Closing, had the Seller's Warranties been repeated on Closing,the Seller shall notify the Purchaser in writing as soon as practicable and in any event prior to Closing setting out such details as are available.
- 7.3.2 Any notification pursuant to Clause 7.3.1 shall not operate as a disclosure pursuant to Clause 7.2 and the Seller's Warranties shall not be subject to such notification.

#### **7.4 Updating of the Seller's Warranties to Closing**

Subject to matters Disclosed, the Seller further warrants and represents to the Purchaser that the Seller's Warranties will be true and accurate and not misleading at Closing as if they had been repeated at Closing and on the basis that any express or implied reference in any such Seller's Warranty to the date of this Agreement shall be considered a reference to the Closing Date.

#### **7.5 The Seller's Waiver of Rights against the Company**

Save in the case of fraud, the Seller undertakes to the Purchaser to waive any rights, remedies or claims which it may have in respect of any misrepresentation, inaccuracy or omission in or from any information or advice supplied or given by the Target Group Companies or their respective directors, officers, employees or agents in connection with assisting the Seller in the giving of any Warranty or the preparation of the Disclosure Letter, the Updated Disclosure Letter (if any) and the Tax Indemnity.

#### **7.6 The Purchaser's Warranties**

7.6.1 The Purchaser warrants to the Seller that the statements set out in Schedule 4 are true and accurate and not misleading as of the date of this Agreement.

7.6.2 The Purchaser further warrants to the Seller that the statements set out in Schedule 4 will be true and accurate and not misleading at Closing as if they had been repeated at Closing.

#### **7.7 Effect of Closing**

The Seller's Warranties and all other provisions of this Agreement and the Tax Indemnity, if and to the extent that they have not been performed by Closing, shall not be extinguished or affected by Closing or by any other event or matter (including any satisfaction and/or waiver of any condition contained in Clause 4.1), except by a specific and duly authorised written waiver or release by the Purchaser.

### **8 Limitation of Liability**

#### **8.1 Time Limitation for Claims**

The Seller shall not be liable for any Claim or Tax Claim unless a notice of the Claim or Tax Claim is given by the Purchaser to the Seller in writing specifying the matters set out in Clause 9.1:

8.1.1 in the case of any Tax Claim or claim for breach of a Title or Capacity Warranty, within seven years of Closing; and

8.1.2 in the case of any Claim other than any Tax Claim or claim for breach of a Title of Capacity Warranty, within two years of Closing.

#### **8.2 Minimum Claims**

8.2.1 The Seller shall not be liable for any individual Claim (or a series of Claims arising from substantially identical facts or circumstances) where the liability agreed or determined for any such Claim or series of Claims does not exceed £50,000 or its equivalent.

**8.2.2** The Seller shall not be liable unless the aggregate amount of all Claims for which it would, in the absence of this provision, be liable exceeds £300,000 or its equivalent, and in such event, subject as provided elsewhere in this Clause 8, the Seller shall be liable for the amount of the Claim or series of Claims as agreed or determined and not just the excess.

### **8.3 Maximum Liability**

The aggregate liability of the Seller for all Claims shall not exceed an amount equal to 100 per cent. of the Consideration.

### **8.4 Contingent Liabilities**

The Seller shall not be liable for any Claim in respect of any liability which is contingent unless and until such contingent liability becomes an actual liability and is due and payable but this Clause 8.4 shall not operate to avoid a Claim made in respect of a contingent liability within the time limit specified in Clause 8.1 and specifying the matters set out in Clause 9.1.

### **8.5 Losses**

The Seller shall not be liable for any Claim in respect of any indirect or consequential losses.

### **8.6 Matters Arising Subsequent to this Agreement**

The Seller shall not be liable for any Claim if and to the extent that the Claim has arisen as a result of:

#### **8.6.1 Agreed Matters**

any matter or thing done or omitted to be done pursuant to and in compliance with any Transaction Document or otherwise at the request in writing or with the approval in writing of the Purchaser;

#### **8.6.2 Changes in Legislation, Regulation or Practice**

- (i) the passing of, or any change in, after Closing, any law, rule, regulation or administrative practice of any government, governmental department, agency or regulatory body, including (without prejudice to the generality of the foregoing) any increase in the rates of Taxation or any imposition of Taxation or any withdrawal of relief from Taxation not actually (or prospectively) in effect at Closing;
- (ii) any change after Closing of any generally accepted interpretation or application of any legislation; or
- (iii) any change after Closing of any generally accepted accounting principles, procedure or practice; and/or

#### **8.6.3 Accounting Policies**

any change in accounting policy, bases or practice of the Purchaser or the Purchaser's Group introduced or having effect after Closing.

## **8.7 Purchaser's Actual Knowledge**

**8.7.1** Except as set out in Clause 8.7.2, the Seller shall not be liable for any Claim if and to the extent that the facts, matters or circumstances giving rise to the Claim were actually known by the Purchaser prior to signing this Agreement.

**8.7.2** Clause 8.7.1 shall not apply if the Purchaser could not reasonably be expected to conclude that the relevant facts, matters or circumstances giving rise to the Claim constituted a breach of this Agreement.

## **8.8 Purchaser's Right to Recover**

If, before the Seller pays an amount in discharge of any Claim, the Purchaser or the Company recovers or is entitled to recover (whether by payment, discount, credit, relief, insurance or otherwise) from a third party (including but not limited to an insurer) a sum which indemnifies or compensates the Purchaser or Company (in whole or in part) for the loss or liability which is the subject matter of the Claim, the Purchaser shall procure that, before steps are taken to enforce a Claim against the Seller following notification under Clause 9.1, reasonable steps are taken to enforce the recovery against the third party (including but not limited to an insurer) and any actual recovery (less any reasonable costs incurred in obtaining such recovery) shall reduce or satisfy, as the case may be, such Claim to the extent of such recovery.

## **8.9 No Double Recovery and no Double Counting**

No party may recover for breach of or under any Transaction Document or otherwise more than once in respect of the same Losses suffered or amount for which the party is otherwise entitled to claim (or part of such Losses or amount), and no amount (including any Tax relief) (or part of any amount) shall be taken into account, set off or credited more than once for breach of or under any Transaction Document or otherwise, with the intent that there will be no double counting for breach of or under any Transaction Document or otherwise.

## **8.10 Mitigation of Losses**

The Purchaser shall procure that reasonable steps are taken and reasonable assistance is given to avoid or mitigate any Losses which, in the absence of mitigation, might give rise to a liability for any claim for breach of any Transaction Document.

## **8.11 Fraud**

None of the limitations contained in this Clause 8 shall apply to any claim for breach of or under any Transaction Document if and to the extent it arises or is increased as a result of fraud by the Seller, any Target Group Company or any of their respective directors, officers, employees or agents.

## **8.12 Purchaser to provide information to Seller**

Upon any Claim being made against the Seller, the Purchaser shall and shall procure that each other member of the Purchaser's Group shall make available to accountants and other professional advisers appointed by the Seller such access to its personnel and to any relevant records, documents and information as the Seller may reasonably request in connection with such Claim.

## **9 Claims**

### **9.1 Notification of Claims**

Notice of any Claim shall be given by the Purchaser to the Seller within the time limits specified in Clause 8.1 and shall specify in reasonable detail the legal and factual basis of the Claim (including, if applicable, evidence of any Third Party Claim) and the Purchaser's estimate of the amount of Losses which is, or is to be, the subject of the Claim (including any Losses which are contingent on the occurrence of any future event).

### **9.2 Statutory Limitation Periods**

The limitation periods specified in Clause 8.1 shall apply whether or not such periods are longer or shorter than any relevant statutory limitation period and the Seller will not plead any defence in reliance on a statutory limitation period.

### **9.3 Conduct of Third Party Claims**

If the matter or circumstance that may give rise to a Claim is a result of a claim by or liability to a third party (a "**Third Party Claim**") then the Purchaser or other member of the Purchaser's Group shall be entitled, in their absolute discretion, to take such action as they shall deem necessary to avoid, dispute, deny, defend, resist, appeal, compromise or contest such claim or liability (including making counterclaims or other claims against third parties) but shall, so far as practicable, without prejudice to the rights of the insurers of the Purchaser's Group, consult with the Seller before taking any such action.

## **10 Tax Indemnity**

The Seller shall comply with Schedule 5.

## **11 Confidentiality**

### **11.1 Announcements**

No announcement, communication or circular in connection with the existence or the subject matter of this Agreement shall be made or issued by or on behalf of the Purchaser, the Seller or the Company without the prior written consent of the Seller and the Purchaser, except for the purpose of or in relation to the Consent Solicitation or the Listed Company Shareholder Approval. This shall not affect any announcement, communication, or circular required by law or any governmental or regulatory body or the rules of any stock exchange on which the shares of either party or its holding company are listed but the party with an obligation to make an announcement or communication or issue a circular (or whose holding company has such an obligation) shall consult with the other party (or shall procure that its holding company consults with the other party) insofar as is reasonably practicable before complying with such an obligation.

### **11.2 Confidentiality**

**11.2.1** Subject to Clauses 11.1 and 11.2.2, each of the Seller and the Purchaser shall treat as strictly confidential and not disclose or use any information received or obtained as a result of entering into this Agreement (or any agreement entered into pursuant to this Agreement) which relates to:

- (i) the existence and the provisions of this Agreement and of any agreement entered into pursuant to this Agreement;
- (ii) the negotiations relating to this Agreement (and any such other agreements);
- (iii) (in the case of the Seller) any information relating to the Target Group following Closing and any other information relating to the business, financial or other affairs (including future plans and targets) of the Purchaser's Group; or
- (iv) (in the case of the Purchaser) any information relating to the business, financial or other affairs (including future plans and targets) of the Seller's Group, including, prior to Closing, the Target Group.

**11.2.2** Clause 11.2.1 shall not prohibit disclosure or use of any information if and to the extent:

- (i) the disclosure or use is required by law, any governmental or regulatory body or any stock exchange on which the shares of a party or its holding company are listed;
- (ii) the disclosure or use is required to vest the full benefit of this Agreement in the Seller or the Purchaser;
- (iii) the disclosure or use is required for the purpose of any arbitral or judicial proceedings arising out of this Agreement or any other agreement entered into under or pursuant to this Agreement;
- (iv) the disclosure is made to a Tax Authority in connection with the Tax affairs of the disclosing party;
- (v) the disclosure is made to a party to whom assignment is permitted under Clause 12.3.2 on terms that such assignee undertakes to comply with the provisions of Clause 11.2.1 in respect of such information as if it were a party to this Agreement;
- (vi) the disclosure is made to professional advisers or actual or potential financiers of any party on a need-to-know basis on terms that such professional advisers or financiers undertake to comply with the provisions of Clause 11.2.1 in respect of such information as if they were a party to this Agreement;
- (vii) the information is or becomes publicly available (other than by breach of this Agreement);
- (viii) the other party has given prior written approval to the disclosure or use; or
- (ix) the information is independently developed after Closing,

provided that prior to disclosure or use of any information pursuant to Clause 11.2.2(i), (ii) or (iii), the party concerned shall, where not prohibited by law, consult with the other party insofar as is reasonably practicable.

**11.2.3** If this Agreement terminates or lapses without Closing having occurred, the Purchaser shall, as soon as practicable following request by the Seller:

- (i) so far as practicable to do so, return or destroy, or procure the return or destruction of, all originals and hard copies of documents containing the information referred to in Clause 11.2.1(iv) (“**Confidential Information**”);
- (ii) so far as practicable to do so, permanently erase, or procure the permanent erasing of, all electronic copies of Confidential Information in its possession or under its custody or control,

provided that, without prejudice to any duties of confidentiality contained in this Agreement:

- (a) the Purchaser may retain any Confidential Information as may be required by law or regulation; and
- (b) the Purchaser’s advisers may keep one copy of any document in their possession for record purposes, provided that, if those documents contain personal data, the Purchaser’s advisers may not retain them if and to the extent the retention is in breach of applicable data protection legislation.

## **12 Other Provisions**

### **12.1 Further Assurances**

**12.1.1** Each of the Seller and the Purchaser shall, and shall use reasonable endeavours to procure that any necessary third party shall, from time to time execute such documents and perform such acts and things as either of them may reasonably require to transfer the Shares and the Shareholder Loan to the Purchaser and to give the other the full benefit of this Agreement.

**12.1.2** After Closing, pending registration of the Purchaser as owner of the Shares, the Seller shall exercise all voting and other rights in relation to the Shares in accordance with the Purchaser’s instructions.

### **12.2 Whole Agreement**

**12.2.1** The Transaction Documents contain the whole agreement between the Seller and the Purchaser relating to the sale and purchase of the Shares and the Shareholder Loan to the exclusion of any terms implied by law which may be excluded by contract and supersede any previous written or oral agreement between the Seller and the Purchaser in relation to the sale and purchase of the Shares and the Shareholder Loan.

**12.2.2** The Purchaser agrees and acknowledges that: (a) save for the Seller’s Warranties, no representation, warranty or undertaking has been given by the Seller; and (b) in entering into the Transaction Documents, the Purchaser is not relying on any representation, warranty or undertaking other than the Seller’s Warranties.

**12.2.3** Nothing in this Clause 12.2 excludes or limits any liability for fraud.

### **12.3 Assignment**

**12.3.1** Except as permitted by Clause 12.3.2, neither party may without the prior written consent of the other party, assign, grant any security interest over, hold on trust or otherwise transfer the benefit of the whole or any part of this Agreement.

12.3.2 Subject to Clause 12.3.3, the Purchaser may without the consent of the Seller assign to an Affiliate the benefit of the whole or any part of this Agreement, provided that if the assignee ceases to be an Affiliate of that party, it shall before ceasing to be so assign the benefit, so far as assigned to it, back to that party or assign the benefit to another Affiliate of that party, as the case may be.

12.3.3 Any assignee pursuant to Clause 12.3.2 shall not be entitled to receive under this Agreement any greater amount than that to which the assigning party would have been entitled.

## 12.4 Third Party Rights

12.4.1 A person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) to enforce any term of, or enjoy any benefit under, this Agreement, except if and to the extent set out in this Clause 12.4.

12.4.2 An assignee pursuant to Clause 12.3.2 may enforce and rely on this Agreement as if it were a party.

## 12.5 Variation

No variation of this Agreement shall be effective unless in writing and signed by or on behalf of each of the parties.

## 12.6 Costs and Expenses

12.6.1 Save as otherwise agreed between the parties, the Seller and the Purchaser will each bear their own respective costs and expenses, including legal, accountancy and other third party professional costs and expenses and all other costs and expenses incurred in connection with the marketing and sale of the Shares and the Shareholder Loan negotiation, preparation and implementation of this Agreement, the Transaction Documents or any other documents in connection with the sale of the Shares and the Shareholder Loan or the Property ("**Transaction Expenses**").

12.6.2 The Seller undertakes to ensure that the Target Group shall bear no Transaction Expenses.

## 12.7 Interest

If a party defaults in the payment when due of any sum payable under this Agreement, its liability shall be increased to include interest on such sum from the date when such payment is due until the date of actual payment (after as well as before judgment) at a rate per annum of 9 per cent. Such interest shall accrue from day to day and shall be compounded monthly.

## 12.8 Notices

12.8.1 Subject to Clause 12.8.7, any notice or other communication in connection with this Agreement (each, a "**Notice**") shall be:

- (i) in writing; and
- (ii) delivered by hand, e-mail, recorded or special delivery or courier using an internationally recognised courier company.

**12.8.2** A Notice to the Seller shall be sent to such party at the following address, or to such other person or address as the Seller may notify to the Purchaser from time to time:

R&F Properties (HK) Company Limited

Room 6303, The Center, No. 99 Queen's Road Central, Hong Kong

E-mail: [leem@rfchina.com.hk](mailto:leem@rfchina.com.hk) / [wtsm@rfchina.com.hk](mailto:wtsm@rfchina.com.hk)

Attention: Mr. Li Sze Lim / Mr. Lee Michael

**12.8.3** A Notice to the Purchaser shall be sent to such party at the following address, or to such other person or address as the Purchaser may notify to the Seller from time to time:

London One Limited

c/o Room 3305, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong

E-mail: [comsec.project@cqgroup.com.hk](mailto:comsec.project@cqgroup.com.hk)

Attention: Samson Cheung

**12.8.4** Subject to Clause 12.8.5, a Notice shall be effective upon receipt and shall be deemed to have been received:

- (i) at the time recorded by the delivery company, in the case of recorded or special delivery;
- (ii) at the time of delivery, if delivered by hand or courier; or
- (iii) at the time of sending if sent by e-mail, provided that receipt shall not occur if the sender receives an automated message that the e-mail has not been delivered to the recipient.

**12.8.5** A Notice that is deemed by Clause 12.8.4 to be received after 5.00 p.m. on any day, or on a Saturday, Sunday or public holiday in the place of receipt, shall be deemed to be received at 9.00 a.m. on the next day that is not a Saturday, Sunday or public holiday in the place of receipt.

**12.8.6** For the purposes of this Clause 12.8, all references to time are to local time in the place of receipt. For the purposes of Notices by e-mail, the place of receipt is the place in which the party to whom the Notice is sent has its postal address for the purpose of this Agreement.

**12.8.7** E-mail is not permitted for any Notice which (i) terminates, gives notice to terminate or purports to terminate this Agreement; or (ii) notifies or purports to notify an actual or potential claim for breach of or under this Agreement.

## **12.9 Invalidity**

**12.9.1** If any provision in this Agreement shall be held to be illegal, invalid or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention of the parties.

**12.9.2** If and to the extent it is not possible to delete or modify the provision, in whole or in part, under Clause 12.9.1, then such provision or part of it shall, if and to the extent that it is illegal, invalid or unenforceable, be deemed not to form part of this

Agreement and the legality, validity and enforceability of the remainder of this Agreement shall, subject to any deletion or modification made under Clause 12.9.1, not be affected.

#### **12.10 Counterparts**

This Agreement may be entered into in any number of counterparts, all of which taken together shall constitute one and the same instrument. The Seller and the Purchaser may enter into this Agreement by executing any such counterpart.

#### **12.11 Governing Law and Submission to Jurisdiction**

**12.11.1** This Agreement and the documents to be entered into pursuant to it and any non-contractual obligations arising out of or in connection with this Agreement and such documents are governed by and shall be construed in accordance with Hong Kong law.

**12.11.2** Each of the Seller and the Purchaser irrevocably agrees that the Courts of Hong Kong are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Agreement and the documents to be entered into pursuant to it and that accordingly any proceedings arising out of or in connection with this Agreement and the documents to be entered into pursuant to it shall be brought in such courts. Each of the Seller and the Purchaser irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

#### **12.12 Appointment of Process Agent**

**12.12.1** The Purchaser hereby irrevocably appoints Evermax Enterprises Limited of Room 3305, China Resources Building, 26 Harbour Road, Wanchai, Hong Kong as its agent to accept service of process in Hong Kong in any legal action or proceedings arising out of or in connection with this Agreement, service upon whom shall be deemed completed whether or not forwarded to or received by the Purchaser.

**12.12.2** The Purchaser shall inform the Seller in writing of any change of address of such process agent within 14 days of such change.

**12.12.3** If such process agent ceases to be able to act as such or to have an address in Hong Kong, the Purchaser irrevocably agrees to appoint a new process agent in Hong Kong acceptable to the Seller and to deliver to the Seller within 14 days a copy of a written acceptance of appointment by the process agent.

**12.12.4** Nothing in this Agreement shall affect the right to serve process in any other manner permitted by law.

**In witness** whereof this Agreement has been duly executed.

SIGNED by [•]  
on behalf of **R&F PROPERTIES  
(HK) COMPANY LIMITED** 富力地  
產(香港)有限公司:

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Signature

SIGNED by [•]  
on behalf of **LONDON ONE  
LIMITED:**

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Signature

**Schedule 1**  
**Details of the Target Group**

**Part 1 – The Company**

<b>Name:</b>	<b>R&amp;F International Real Estate Investment Co. Limited 富力國際地產投資有限公司</b>
Country of incorporation:	Hong Kong
Registered number:	1963680
Registered office:	Room 6303, The Center, No. 99 Queen's Road, Central
Date and place of incorporation:	6 September 2013, Hong Kong
Issued share capital:	HKD 200,000,001
Registered shareholders and shares held:	100 ordinary shares held by R&F Properties (HK) Company Limited 富力地產(香港)有限公司
Beneficial shareholders and shares held:	100 ordinary shares held by R&F Properties (HK) Company Limited 富力地產(香港)有限公司
Directors:	Sze Lim Li and Michael Lee
Company secretary:	Tak Sum Maggie Wong
Accounting reference date:	31 December

**Part 2 – The Subsidiaries**

<b>Name:</b>	<b>R&amp;F International Sub 1 Limited</b>
Country of incorporation:	England and Wales
Registered number:	14101591
Registered office:	14 Carnation Way, London, United Kingdom SW8 5GZ
Date and place of incorporation:	11 May 2022, Companies House, Cardiff
Issued share capital:	£1.00
Registered shareholders and shares held:	1 ordinary share held by R&F International Real Estate Investment Co. Limited 富力國際地產投資有限公司
Beneficial shareholders and shares held:	1 ordinary share held by R&F International Real Estate Investment Co. Limited 富力國際地產投資有限公司

Directors:	Sze Lim Li and Zhixiong Guan
Accounting reference date:	31 December

<b>Name:</b>	<b>R&amp;F International Sub 2 Limited</b>
Country of incorporation:	England and Wales
Registered number:	14102235
Registered office:	14 Carnation Way, London, United Kingdom SW8 5GZ
Date and place of incorporation:	12 May 2022, Companies House, Cardiff
Issued share capital:	£ 1.00
Registered shareholders and shares held:	1 ordinary share held by R&F International Sub 1 Limited
Beneficial shareholders and shares held:	1 ordinary share held by R&F International Sub 1 Limited
Directors:	Sze Lim Li and Zhixiong Guan
Accounting reference date:	31 December

<b>Name:</b>	<b>R&amp;F International Sub 3 Limited</b>
Country of incorporation:	England and Wales
Registered number:	14102473
Registered office:	14 Carnation Way, London, United Kingdom SW8 5GZ
Date and place of incorporation:	12 May 2022, Companies House, Cardiff
Issued share capital:	£ 1.00
Registered shareholders and shares held:	1 ordinary share held by R&F International Sub 2 Limited
Beneficial shareholders and shares held:	1 ordinary share held by R&F International Sub 2 Limited
Directors:	Sze Lim Li and Zhixiong Guan
Accounting reference date:	31 December

<b>Name:</b>	<b>R&amp;F One (UK) Limited</b>
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Country of incorporation:	England and Wales
Registered number:	8707803
Registered office:	14 Carnation Way, London, United Kingdom SW8 5GZ
Date and place of incorporation:	26 September 2013, Companies House, Cardiff
Issued share capital:	£ 100,000.00
Registered shareholders and shares held:	100,000 ordinary shares held by R&F International Sub 3 Limited
Beneficial shareholders and shares held:	100,000 ordinary shares held by R&F International Sub 3 Limited
Directors:	Sze Lim Li and Zhixiong Guan
Accounting reference date:	31 December

<b>Name:</b>	<b>R&amp;F One Nine Elms (UK) Limited</b>
Country of incorporation:	England and Wales
Registered number:	8707781
Registered office:	14 Carnation Way, London, United Kingdom SW8 5GZ
Date and place of incorporation:	26 September 2013, Companies House, Cardiff
Issued share capital:	£ 10,000.00
Registered shareholders and shares held as at the Closing Date:	10,000 ordinary shares held by R&F International Sub 3 Limited
Beneficial shareholders and shares held as at the Closing Date:	10,000 ordinary shares held by R&F International Sub 3 Limited
Directors:	Sze Lim Li and Zhixiong Guan
Accounting reference date:	31 December

<b>Name:</b>	<b>R&amp;F One Hotel (UK) Limited</b>
Country of incorporation:	England and Wales
Registered number:	15033583
Registered office:	14 Carnation Way, London, United Kingdom SW8 5GZ

Date and place of incorporation:	27 July 2023, Companies House, Cardiff
Issued share capital:	£ 1.00
Registered shareholders and shares held as at the Closing Date:	1 ordinary share held by R&F International Real Estate Investment Co. Limited 富力國際地產投資有限公司
Beneficial shareholders and shares held as at the Closing Date:	1 ordinary share held by R&F International Real Estate Investment Co. Limited 富力國際地產投資有限公司
Directors:	Sze Lim Li and Zhixiong Guan
Accounting reference date:	31 December

**Schedule 2**  
**Closing Obligations**  
**(Clause 6)**

**1 Seller's Obligations**

**1.1 General Obligations**

On Closing, the Seller shall deliver or make available to the Purchaser the following, in each case to the extent not already provided prior to Closing:

- 1.1.1 evidence of the due fulfilment of the conditions set out in Clause 4.1 for which the Seller is responsible pursuant to Clause 4.2.1;
- 1.1.2 evidence that the Seller is authorised to execute this Agreement and the Transaction Documents entered into by it;
- 1.1.3 instrument of transfer and sold note in respect of the Shares duly executed by the registered holders in favour of the Purchaser or its nominee;
- 1.1.4 documents prescribed by the HK Stamp Office for the purpose of assessing the Stamp Duty payable, including but not limited to: (i) the latest audited accounts of the Company and its subsidiaries; (ii) the consolidated management accounts of the Target Group prepared from the end date of the latest audited accounts referred to in (i) up to a date within three months before Closing Date and certified by a director of the Company if the audited accounts referred to in (i) are not prepared up to a date within six months before Closing; (iii) a certified copy of the board resolution for dividends paid or payable after the end date of the latest audited accounts of the Company; and (iv) a duly completed Form IRSD102 (*Schedule of Landed Properties*);
- 1.1.5 an assignment of the Shareholder Loan duly executed by the Seller and the Company in the form set out in Schedule 6;
- 1.1.6 certificates for the Shares (or an express indemnity in a form satisfactory to the Purchaser in the case of any certificate found to be missing) and any other documents which may be required to give good title to the Shares and to enable the Purchaser to procure registration of the Shares in its name or as it may direct;
- 1.1.7 a copy of the board minutes of the meeting of the board of directors of each Target Group Company referred to in paragraph 1.2 of this Schedule;
- 1.1.8 the written resignations of each of the directors and any secretary of each Target Group Company from their office as a director or secretary in the Agreed Terms to take effect on the date of Closing;
- 1.1.9 a copy of a notification to the Subsidiaries that, on Closing, the Seller will cease to be a registrable relevant legal entity in relation to each Subsidiary for the purposes of Part 21A of the Companies Act 2006;
- 1.1.10 the certificates of incorporation, corporate seals (if any), cheque books and statutory records of each Target Group Company (duly written up-to-date);
- 1.1.11 all the business, financial and accounting books and records of each Target Group Company in the possession of the relevant Target Group Company;
- 1.1.12 all title deeds relating to the Property;

- 1.1.13 the authentication code issued by the Registrar of Companies for each Subsidiary where it has joined the PROtected Online Filing Scheme;
- 1.1.14 irrevocable powers of attorney (in such form as the Purchaser may reasonably require) executed by the Seller in favour of the Purchaser to enable the Purchaser (pending registration of the relevant transfers) to exercise all voting and other rights attaching to the Shares and to appoint proxies for this purpose;
- 1.1.15 [evidence reasonably satisfactory to the Purchaser of the termination of [*include details of any agreements to be terminated, such as management agreements, administration agreements, etc.*];] and
- 1.1.16 the latest bank statements of all bank accounts of each Target Group Company prior to Closing.

## **1.2 Board Resolutions of each Target Group Company**

On Closing, the Seller shall procure the passing of board resolutions of each Target Group Company *inter alia*:

- 1.2.1 (if so required by the Purchaser) revoking all existing authorities in respect of the operation of its bank accounts and giving authority in favour of such persons as the Purchaser may nominate to operate such accounts;
- 1.2.2 (in the case of the Company only) approving the registration of the transfer of Shares referred to in paragraph 1.1.3 of this Schedule and (if so required by the Purchaser) the issuance of new certificate(s) representing the Shares in the name of the Purchaser, in each case subject only to the share transfer documents being duly stamped;
- 1.2.3 accepting the resignations referred to in paragraph 1.1.8 of this Schedule and appointing such persons (within the maximum number permitted by the articles of association) as the Purchaser may nominate as directors and secretary;
- 1.2.4 approving the entering into of the assignment of the Shareholder Loan referred to in paragraph 1.1.5 of this Schedule; and
- 1.2.5 changing its registered office in accordance with instructions given by the Purchaser; and shall hand to the Purchaser duly certified copies of such board resolutions.

## **2 The Purchaser's Obligations**

### **2.1 General Obligations**

On Closing, the Purchaser shall deliver or make available to the Seller:

- 2.1.1 evidence of the due fulfilment of the conditions set out in Clause 4.1 for which the Purchaser is responsible pursuant to Clause 4.2.1;
- 2.1.2 evidence that the Purchaser is authorised to execute this Agreement and the Transaction Documents entered into by it;
- 2.1.3 [(a) as payment of the Shareholder Loan Consideration, transfer (or procure that it is transferred) to the Seller all the Existing Notes which the Purchaser will receive from holders of Existing Notes under the Exchange Offers, in a minimum principal amount of US\$800 million;] and (b) as payment of the Share Consideration, evidence of payment of HK\$1.00 by the Purchaser to the Seller;

- 2.1.4 evidence that the Senior Loan and the Mezzanine Loan have been fully and finally released or the respective lender having given consent to the change of control of the Target Group contemplated under this Agreement, and that the respective lenders of the Senior Loan and the Mezzanine Loan have irrevocably and unconditionally agreed to release and discharge all the security, guarantees and undertakings given by the Seller and/or any of its Affiliates (other than the Target Group Companies) in respect of the Senior Loan and the Mezzanine Loan with effect from Closing;
- 2.1.5 assignment of the Shareholder Loan duly executed by the Purchaser in the form set out in Schedule 6.

### **3 Stamp Duty**

On Closing, the Seller shall deliver or make available to the Purchaser a cashier order in favour of "The Government of the Hong Kong Special Administrative Region" in the estimated amount of the Seller's portion of Stamp Duty payable pursuant to Clause 6.5 (to be rounded up to the nearest HK\$1), computed by reference to the prevailing Stamp Duty rate, the number of Shares and the higher of: (i) the Consideration, and (ii) the net asset value of the Target Group.

**Schedule 3**  
**Warranties given by the Seller under Clause 7.1**

**1 Authority and Capacity**

**1.1 Incorporation**

1.1.1 Each of the Seller and the Company is validly existing and is a company duly incorporated under the laws of Hong Kong.

1.1.2 Each Subsidiary is validly existing and is a company duly incorporated under the laws of England and Wales.

**1.2 Authority to enter into Transaction Documents**

1.2.1 The Seller has the legal right and full power and authority to enter into and perform this Agreement and the other Transaction Documents to be executed by it.

1.2.2 The documents referred to in paragraph 1.2.1 will, when executed, constitute valid and binding obligations on the Seller which are enforceable in accordance with their respective terms.

**1.3 Authorisation**

Save as contemplated in the conditions set out in Clause 4.1, the Seller has taken all corporate action required by it to authorise it to enter into and to perform this Agreement and the other Transaction Documents to be executed by it.

**2 Corporate Information**

**2.1 The Shares and the Target Group Companies**

2.1.1 The Seller:

- (i) is the sole legal and beneficial owner of the Shares; and
- (ii) has the right to exercise all voting and other rights over the Shares.

2.1.2 The Shares comprise the whole of the issued and allotted share capital of the Company, have been properly and validly issued and allotted and are each fully paid or credited as fully paid.

2.1.3 The shareholders specified in Part 2 of Schedule 1:

- (i) are the sole legal and beneficial owners of the relevant shares in the respective Subsidiaries; and
- (ii) have the right to exercise all voting and other rights over such shares.

2.1.4 The shares in the Subsidiaries comprise the whole of the issued and allotted share capital of the Subsidiaries, have been properly and validly issued and allotted and each are fully paid or credited as fully paid.

2.1.5 No person has the right (whether exercisable now or in the future and whether contingent or not) to call for the allotment, conversion, issue, registration, sale or transfer or repayment of any share or loan capital or any other security giving rise to a right over, or an interest in, the capital of any Target Group Company under any option, agreement or other arrangement (including conversion rights and rights of pre-emption).

- 2.1.6 There are no Encumbrances on the Shares or the shares of any Subsidiary and no person has agreed to any commitment (whether exercisable now or in the future and whether contingent or not) to create any Encumbrance in respect of the Shares or the shares of any Subsidiary and any unissued shares in the Company or any Subsidiary.
- 2.1.7 No Subsidiary has issued any warnings notice or restrictions notice in respect of any of its shares pursuant to Schedule 1B of the Companies Act 2006 and no circumstances exist which would entitle any Subsidiary to serve any such notice.
- 2.1.8 Save as contemplated in the conditions set out in Clause 4.1, the Seller is able to transfer the full legal and beneficial ownership of the Shares on the terms of this Agreement and no consent of any third party is required in relation to such transfer or such consent has been obtained or will be obtained by Closing.
- 2.1.9 Save as set out in Schedule 1, each Target Group Company:
- (i) has no interest in, and has not agreed to acquire, any share capital or other interest or right referred to in paragraph 2.1.5 of any other body corporate or in any business organisation (howsoever constituted); or
  - (ii) has no branch, division, establishment or place of business other than its registered office.
- 2.1.10 Save for the changes upon Closing as contemplated in Schedule 2, the particulars contained in Schedule 1 are true, accurate and not misleading.
- 2.1.11 No Target Group Company has given a power of attorney or any other authority (express, implied or ostensible) which is still outstanding or effective to any person to enter into any contract or commitment or to do anything on its behalf.
- 2.1.12 Each Target Group Company has not been involved in any corporate or group restructuring, including by way of merger, demerger or hive-down of assets, during the last three years and no such restructuring is currently taking place or envisaged.

## **2.2 Constitutional Documents, Corporate Registers and Minute Books**

- 2.2.1 The constitutional documents in the Data Room are true and accurate copies of the constitutional documents of the Target Group Companies and there have not been and are not any breaches by any Target Group Company of its constitutional documents which would have a material adverse effect on the business of any Target Group Company.
- 2.2.2 The registers, statutory books, books of account and other records of each Target Group Company which are required to be maintained under applicable law:
- (i) are up-to-date;
  - (ii) are maintained in accordance with applicable law;
  - (iii) contain complete and accurate records of all matters required to be dealt with in such books and records; and
  - (iv) have attached to them copies of all such resolutions and agreements as are required by law to be delivered to the Registrar of Companies and all other resolutions passed by the relevant Target Group Company or any class of members or shareholders.
- 2.2.3 All registers, books and records referred to in paragraph 2.2.2 and all other documents (including documents of title and copies of all subsisting agreements to which any Target

Group Company is a party) which are the property of each Target Group Company or ought to be in its possession are in the possession (or under the control) of the relevant Target Group Company and no notice or allegation that any of such registers, books and records is incorrect or should be rectified has been received, or in the event that any such notice or allegation has been received, the relevant information in the registers, books or records has been rectified (if applicable).

- 2.2.4 All accounts, documents and returns required by law to be delivered or made to the Registrar of Companies have been duly and correctly delivered or made on a timely basis.

### **3 Accounts**

#### **3.1 Latest Accounts**

- 3.1.1 The Accounts have been properly prepared:

- (i) in accordance with applicable law and with the accounting principles, standards and practices generally accepted in the relevant jurisdiction as applicable at the relevant Accounts Date; and
- (ii) subject to paragraph (i) above, using the same accounting policies and techniques to arrive at estimated monetary amounts as those adopted and applied in preparing the audited accounts of the relevant Target Group Company for the previous financial year applied on a consistent basis.

- 3.1.2 Each of the Accounts give a true and fair view of the state of affairs/assets, liabilities and financial position of the relevant Target Group Company as at the relevant Accounts Date and of the profits or losses for the relevant financial year ended on the Accounts Date.

#### **3.2 Management Accounts and Additional Management Accounts**

- 3.2.1 The Management Accounts and the Additional Management Accounts have been or will be prepared in accordance with the accounting policies used in preparing the Accounts applied on a consistent basis.

- 3.2.2 The Management Accounts and the Additional Management Accounts are fair and not misleading having regard to the purpose for which they were drawn up and do not materially misstate the assets and liabilities of the Target Group as at the relevant Management Accounts Date or the accounts date applicable to the relevant Additional Management Accounts nor the profits or losses of the Target Group for the period concerned.

- 3.2.3 Since the relevant Management Accounts Date or the accounts date applicable to the relevant Additional Management Accounts:-

- (i) each Target Group Company has carried on its business in the ordinary and usual course;
- (ii) there has been no change in the business, financial or trading position or prospects of the Target Group which has had or is likely to have a material adverse effect on the Target Group as a whole; and
- (iii) none of the Target Group Companies has declared, authorised, paid or made any dividend or other distribution.

#### **3.3 Taxation**

**3.3.1** Full provision or reserve has been made in the Accounts, the Management Accounts and the Additional Management Accounts in accordance with relevant generally accepted accounting practice at the relevant Accounts Date, the Management Accounts Date or the accounts date applicable to the relevant Additional Management Accounts (as applicable) and on a basis consistent with that adopted in preparing the audited accounts of the relevant Target Group Company for the previous financial year/period for all Taxation liable to be assessed on the relevant Target Group Company or for which each is or may become accountable in respect of:

- (i) profits, gains or income (as computed for Taxation purposes) earned, accrued or otherwise received or deemed to have been earned, accrued or received or otherwise recognised on or before the relevant Accounts Date (or, in relation to the Management Accounts, the Management Accounts Date, or in relation to the Additional Management Accounts, the accounts date applicable to the relevant Additional Management Accounts);
- (ii) any transactions occurring or deemed to have occurred on or before the relevant Accounts Date (or, in relation to the Management Accounts, the Management Accounts Date or in relation to the Additional Management Accounts, the accounts date applicable to the relevant Additional Management Accounts ) or provided for in the Accounts, the Management Accounts or the Additional Management Accounts (as applicable).

**3.3.2** Full provision for deferred taxation has been made in the Accounts, the Management Accounts and the Additional Management Accounts in accordance with generally accepted accounting practice at the date on which it was prepared and on a basis consistent with that adopted in preparing the audited accounts of the relevant Target Group Company for the previous financial year/period.

## **4 Financial Obligations**

### **4.1 Financial Facilities**

Save for the Senior Loan and the Mezzanine Loan, intra-group payables or receivables or as otherwise set out in the Accounts, the Management Accounts and/or the Additional Management Accounts, none of the Target Group Companies has any loan capital, overdraft, financial facilities, borrowings or other indebtedness outstanding and has not entered into any swap or other derivative or hedging instrument.

### **4.2 Guarantees and Security**

Save for the guarantee, indemnity or other Encumbrance given in connection with the Senior Loan and the Mezzanine Loan, there is no outstanding guarantee, indemnity or similar assurance against loss or other security or arrangement having an effect equivalent to the granting of security (whether or not legally binding) given:

**4.2.1** by the Target Group; or

**4.2.2** for the benefit of the Target Group.

### **4.3 Off-Balance Sheet Financing**

The Target Group has no outstanding loan capital, nor has it factored, discounted or securitised any of its receivables, nor has it engaged in any financing of a type which would not be required to be shown or reflected in the Accounts.

#### **4.4 No Undisclosed Liabilities**

There are no liabilities, whether actual or contingent, of the Target Group other than: (i) liabilities disclosed or provided for in the Accounts, the Management Accounts or the Additional Management Accounts (if any); (ii) liabilities incurred in the ordinary and usual course of business since the relevant Accounts Date, none of which is material; or (iii) liabilities disclosed elsewhere in the Transaction Documents.

#### **4.5 Bank Accounts**

The Target Group has no bank account or deposit account other than those for which details are provided in the Disclosure Letter and the Updated Disclosure Letter.

### **5 Property**

#### **5.1 Real estate**

The Property is the only real estate owned, controlled, used or occupied by any of the Target Group Companies or in which any of the Target Group Companies has any interest or liability (whether actual or contingent).

#### **5.2 The Property**

##### **5.2.1 The Property:**

- (i) is solely legally and beneficially owned by R&F One (UK) Limited;
- (ii) is free from all Encumbrances (save for the Encumbrances given in connection with the Senior Loan and the Mezzanine Loan);
- (iii) is registered with title absolute, a Target Group Company is the registered proprietor, and that Target Group Company has good and marketable title to the Property;
- (iv) benefits from all rights, easements, covenants and entitlements as are necessary for its beneficial use and enjoyment and no such rights, easements, covenants or entitlements are subject to any restrictions as to their exercise or terms entitling any person to terminate or curtail them.

**5.2.2** There are no disputes, claims, actions, demands, notices or complaints in respect of the Property or its use which are outstanding or anticipated by the Seller or the Target Group which have had or may have a material adverse effect on the use of the Property.

**5.2.3** There are no subsisting agreements for the transfer or disposal of any part of the Property.

**5.2.4** The means of access to and egress from the Property are over roads which have been adopted by the local authority and are maintainable at public expense or the Property benefits from the requisite rights over any third party land between the Property and such roads.

**5.2.5** In relation to any lease, underlease, tenancy, licence or other agreement or arrangement giving rise to rights of occupation and enjoyment ("**tenancy**") to which the Property is subject:

- (i) copies of each tenancy are contained in the Data Room;
- (ii) all rent and additional rent, service charges or other payments under the tenancy have been paid to date and no rent has been commuted, waived or paid in advance of the due date for payment;

(iii) the tenant under each tenancy has observed and performed the covenants and conditions contained in the tenancy in all material respects;

(iv) statutory pre-emption provisions of the Landlord and Tenant Act 1987 do not apply.

5.2.6 The Target Group has in its possession or unconditionally held to its order all the original documents of title and other documents and papers relating to the Property.

5.2.7 All material documents relating to the Property and the Project (including, without limitation, the Occupational Documents and the Development Documents) which the Seller or any Target Group Company is in the possession of or otherwise has access to and which have a material impact on the Target Group's title to, or the value of, the Property or the Project have been Disclosed and all such documents are true and accurate in all material respects and not misleading in any material respect.

5.2.8 All relevant approvals, permits and consents required for the construction and development in respect of the Project, the absence of which would have a material adverse effect on the Project, have been obtained.

5.2.9 The Building Contract constitutes valid and binding obligations on the parties thereto and the terms thereof have been complied with in all material respects by R&F One (UK) Limited and by the relevant other party thereto and no threat or claim of any default or breach has been made and is outstanding against R&F One (UK) Limited.

5.2.10 No notice of termination or of intention to terminate has been received in respect of the Building Contract and the Seller is not aware of any grounds for rescission, avoidance or repudiation of the Building Contract.

5.2.11 No party to the Building Contract is in material default under the Building Contract.

## **6 Intellectual Property and Information Technology**

The Target Group does not own or use any Intellectual Property Rights.

## **7 Contracts**

### **7.1 Contracts**

The Data Room contains accurate and complete copies of all material contracts, transactions, arrangements, understandings or obligations to which any Target Group Company is a party or is subject and which were entered into since 6 July 2018.

### **7.2 Agreements with the Seller**

Save for the Shareholder Loan or as otherwise set out in the Accounts, the Management Accounts and/or the Additional Management Accounts (if any), there are no existing contracts, arrangements or understandings whether legally binding or not between, on the one hand, a Target Group Company and, on the other hand, the Seller, any person who is or was a shareholder of, or the beneficial owner of any interest in, the Seller or any other member of the Seller's Group or any person connected with any of them.

### **7.3 Commission and Finder's Fees**

No person is entitled to receive from any of the Target Group Companies any finder's fee, brokerage or other commission in connection with the purchase of the Shares.

### **7.4 Compliance with Agreements**

- 7.4.1 All the contracts material to the business of the Target Group to which any of the Target Group Companies is a party and which were entered into since 6 July 2018 (the “**Relevant Contracts**”) (to the extent they remain subsisting) constitute valid and binding obligations of the parties thereto. The terms of the Relevant Contracts have been complied with in all material respects by the relevant Target Group Company and no threat or claim of any default or breach has been made and is outstanding against the relevant Target Group Company.
- 7.4.2 No notice of termination or of intention to terminate has been received in respect of any such material contracts and the Seller is not aware of any grounds for rescission, avoidance or repudiation of any such material contracts.
- 7.4.3 No party to any material agreement with, or under an obligation to, any Target Group Company is in material default under such material agreement or obligation.

## **8 Employees and Employee Benefits**

None of the Target Group Companies have, and have never had, any employees, nor is there any person to whom any of the Target Group Companies has made any offer of employment.

## **9 Pensions**

None of the Target Group Companies operate or participate in, and have never operated or participated in, any scheme or arrangement promising or providing for retirement and/or death benefits and/or ex gratia pensions or other payments in relation to any person and there is no arrangement under which any of the Target Group Companies have or may have any obligation (whether or not legally binding) to provide or contribute towards any of the foregoing.

## **10 Legal Compliance**

### **10.1 Compliance with Laws**

Each Target Group Company and all of its directors and officers (during the course of their duties in relation to the relevant Target Group Company) have conducted the business of the Target Group in compliance with applicable laws, bye-laws and regulations and the Target Group is not in breach of any such laws, bye-laws and regulations.

### **10.2 Anti-Corruption Laws**

Neither the Seller, the Target Group nor any of its directors, officers or employees, nor any other person performing services for or acting on any of the Seller’s or the Target Group Company’s behalf has engaged in any activity or conduct that has resulted or will result in a violation of:

- 10.2.1 any applicable anti-corruption laws, including but not limited to (i) the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions; (ii) the Foreign Corrupt Practices Act of 1977 of the United States of America, as amended by the Foreign Corrupt Practices Act Amendments of 1988 and 1998; (iii) the Bribery Act 2010; and (iv) the Prevention of Bribery Ordinance (Cap. 201 of the Laws of Hong Kong);
- 10.2.2 any applicable laws relating to economic or trade sanctions, including the laws or regulations implemented by the Office of Foreign Assets Control of the United States Department of the Treasury and any similar laws or regulations in other jurisdictions.

## **11 Environment**

### **11.1 Claims and Investigations**

There is no ongoing civil, criminal, regulatory or administrative action, claim, investigation or other proceeding or suit against or involving the Target Group relating to Environmental Law or any Environmental Permit, nor have any such proceedings taken place or been settled and there are no such proceedings pending or threatened.

### **11.2 Pollution**

There is no pollution or contamination of the Environment:

11.2.1 at, on, in, under or emanating from the Property or attributable to the operations of the business of the Target Group; nor

11.2.2 at, on, in, under or emanating from any property formerly owned, leased, occupied or otherwise used in connection with or affected by the business of the Target Group or in which the Target Group formerly had an interest for which the Target Group could incur liability under Environmental Law or in relation to an Environmental Permit or lease, deed or agreement in place as at the date of this Agreement.

## **12 Litigation**

### **12.1 Current Proceedings**

None of the Target Group Companies is involved whether as claimant or defendant or other party in any claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration which is materially adverse to the business of the Target Group taken as a whole.

### **12.2 Pending or Threatened Proceedings**

No such claim, legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration of material importance is pending or threatened by or against any Target Group Company.

### **12.3 Circumstances likely to lead to claims**

There are no investigations, disciplinary proceedings or other circumstances likely to lead to any such claim or legal action, proceeding, suit, litigation, prosecution, investigation, enquiry, mediation or arbitration.

### **12.4 No Court Orders etc**

Neither the Seller nor any Target Group Company is subject to any continuing injunction, judgment or order of any Court, arbitrator, governmental agency or regulatory body, nor in default under any order, licence, regulation or demand of any governmental agency or regulatory body or with respect to any order, suit, injunction or decree of any Court which is materially adverse to the business of the Target Group taken as a whole.

## **13 Insurance**

### **13.1 Particulars of Insurances**

The Data Room contains copies of each current insurance and indemnity policy in respect of which any Target Group Company has an interest (together the "**Policies**").

## **13.2 Details of Policies**

In respect of the insurances referred to in paragraph 13.1:

- 13.2.1 all premiums have been duly paid to date;
- 13.2.2 no Target Group Company has received any notification that such insurances are not valid or enforceable/all the policies are in full force and effect;
- 13.2.3 No act, omission, misrepresentation or non-disclosure by or on behalf of any Target Group Company has occurred which makes any of these policies void, voidable or unenforceable;
- 13.2.4 No circumstances have arisen which would render any of the policies void or unenforceable for illegality or otherwise;
- 13.2.5 There has been no breach of the terms, conditions and warranties of any of the policies that would entitle insurers to decline to pay all or any part of any claim made under the policies or to terminate any policy; and
- 13.2.6 No Target Group Company has not done or omitted to do anything which might result in an increase in the premium payable under any of the Policies or renewal being refused on substantially the present terms.

## **13.3 Insurance Claims**

- 13.3.1 Details of all insurance claims with claim value or estimate claim value in excess of £10,000 made in respect of incidents which occurred during the past three years are contained in the Data Room.
- 13.3.2 No insurance claim is outstanding and no circumstances exist which are likely to give rise to any insurance claim.

## **13.4 Insurance Cover**

The Target Group has, and at all material times has had, valid insurance cover in respect of its business and assets against all risk normally insured against by companies carrying on the same type of business as the Target Group or having similar assets, and for such amount in respect of its business as would in the circumstances be prudent for such a business.

## **14 Insolvency etc.**

- 14.1 No Target Group Company is insolvent or unable to pay its debts, including its future and prospective debts whether as defined by (in the case of the Company) Section 178 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap.32 of the Laws of Hong Kong), (in the case of the Subsidiaries) Section 123 of the Insolvency Act 1986 or otherwise.
- 14.2 Each Target Group Company has not proposed and does not intend to propose any arrangement of any type with its creditors or any group of creditors whether by court process or otherwise under which such creditors shall receive or be paid less than the amounts contractually or otherwise due to them.
- 14.3 Neither any Target Group Company nor any director, secretary or creditor of any Target Group Company has presented any petition, application or other proceedings for administration, creditors' voluntary arrangement or similar relief by which the affairs, business or assets of the company concerned are managed by a person appointed for the

purpose by a Court, governmental agency or similar body, or by any director, secretary or creditor or by the company itself nor has any such order or relief been granted or appointment made.

- 14.4** No order has been made, petition or application presented, resolution passed or meeting convened for the purpose of winding up any Target Group Company or whereby the assets of any Target Group Company are to be distributed to creditors or shareholders or other contributories of any Target Group Company.
- 14.5** No arrangement, procedure, step, order, petition, application, resolution or meeting analogous to those described at paragraphs 14.2 to 14.4 has occurred, commenced or been taken or made in any jurisdiction.
- 14.6** No receiver (including an administrative receiver), liquidator, trustee, administrator, supervisor, nominee, custodian or any similar or analogous officer or official in any jurisdiction has been appointed in respect of the whole or any part of the business or assets of any Target Group Company nor has any step been taken for or with a view to the appointment of such a person nor has any event taken place or is likely to take place as a consequence of which such an appointment might be made.
- 14.7** No creditor of any Target Group Company has taken, or is entitled to take any steps to enforce, or has enforced any security over any assets of the Company.
- 14.8** No Target Group Company is in default of any of its obligations in relation to any of the financial facilities referred to in paragraph 4.1 of this Schedule 3.

## **15 Tax**

### **15.1 Returns, Information and Clearances**

- 15.1.1** All returns, computations, notices and information which are or have been required to be made or given by the Company for any Taxation purpose: (i) have been made or given within the requisite periods and on a proper basis and are up-to-date and correct; and (ii) none of them is, or is likely to be, the subject of any dispute with or investigation by any Tax Authority. No Target Group Company is or has at any time been liable to pay any amount under an accelerated payment notice, penalty or interest in respect of Taxation, and it is not likely that any Target Group Company will incur any such liability.
- 15.1.1** No Target Group Company has obtained or made any consents, clearances, arrangements or agreements with any Tax Authority, or elections in relation to the Taxation affairs of any Target Group Company or its shareholders, officers or employees (including those pursuant to which the relevant Target Group Company is authorised not to comply with what would otherwise be its statutory obligations) and which have or is likely to have ongoing or future relevance to the Taxation affairs of the Target Group Companies or their shareholders, officers and employees.

### **15.2 Taxation Claims, Liabilities and Reliefs**

- 15.2.1** Without prejudice to any liability which may arise under the Tax Indemnity, there is no liability to Taxation in respect of which a claim could be made under the Tax Indemnity and there are no circumstances likely to give rise to such a liability.
- 15.2.2** Without prejudice to any liability which may arise under the Tax Indemnity, each Target Group Company has duly and punctually paid all Taxation which it has become liable to pay.

- 15.2.3 No relief (whether by way of deduction, reduction, set-off, exemption, postponement, roll-over, hold-over, repayment or allowance or otherwise) from, against or in respect of any Taxation has been claimed and/or given to any Target Group Company which could or might be effectively withdrawn, postponed, restricted, clawed back or otherwise lost as a result of Closing.
- 15.2.4 The Property is held as an investment and not as trading stock and no Subsidiary is or is likely to be treated as:
- (i) carrying on a trade of dealing in or developing UK land within the meaning of Section 5B Corporation Tax Act 2009 (“CTA 2009”); or
  - (ii) having profits of a trade by virtue of Part 8ZB CTA 2010.
- 15.2.5 Each Subsidiary has fully complied with its obligations under Part 7 Finance Act 2004.
- 15.2.6 No Target Group Company has been involved in any scheme or arrangement a main purpose of which was the avoidance of or a reduction in Taxation.
- 15.2.7 No Target Group Company has entered into any transaction constituting or forming part of an Occasion of Tax Non-Compliance, as defined in Procurement Policy Note: Measures to Promote Tax Compliance (Action Note 03/14), published by the Cabinet Office on 6 February 2014.
- 15.2.8 No Subsidiary has been, or is likely to be, given a warning notice or a special measures notice within the meaning of Schedule 19 of Finance Act 2016.

### **15.3 Company Residence and Overseas Interests**

- 15.3.1 Each Target Group Company has been resident for Taxation purposes in its place of incorporation and nowhere else at all times since its incorporation.
- 15.3.2 Each Target Group Company has never been liable to pay Taxation on income, profits or gains to any Tax Authority outside its place of incorporation.

### **15.4 VAT**

- 15.4.1 Each Subsidiary is a taxable person and each is registered for the purposes of VAT with quarterly prescribed accounting periods.
- 15.4.2 All supplies made by the Subsidiaries are taxable supplies. No Target Group Company has been or will be denied full credit for all input tax paid or suffered by it.
- 15.4.3 Each Subsidiary has complied fully with all statutory requirements, orders, provisions, directions or conditions relating to VAT, including (for the avoidance of doubt) the terms of any agreement reached with any Tax Authority.
- 15.4.4 No Target Group Company has at any time been a member of a group registration made pursuant to Sections 43 to 43C VATA 1994 (other than a group registration all of the other members of which were Target Group Companies).

### **15.5 Transfer Pricing**

No Target Group Company has entered into any transactions which were not on arm's length terms.

## **16 Data Room**

The documents in the Data Room have been prepared and uploaded in good faith by the Seller and that the Seller has not knowingly excluded documents from the Data Room that are material in relation to the Target Group, the Property and the Project as a whole.

**Schedule 4**  
**Warranties given by the Purchaser under Clause 7.6**

**1 Authority and Capacity**

**1.1 Incorporation**

The Purchaser is validly existing and is a company duly incorporated under the laws of its jurisdiction of incorporation.

**1.2 Authority to enter into Transaction Documents**

1.2.1 The Purchaser has the legal right and full power and authority to enter into and perform this Agreement and the other Transaction Documents to be executed by it.

1.2.2 The documents referred to in paragraph 1.2.1 will, when executed, constitute valid and binding obligations on the Purchaser in accordance with their respective terms.

**1.3 Authorisation**

1.3.1 The Purchaser has taken all corporate action required by it to authorise it to enter into and perform this Agreement and the other Transaction Documents to be executed by it.

**1.4 Ownership**

1.4.1 As at the date of this Agreement, the Purchaser is indirectly wholly-owned by Cheung Chung Kiu.

**2 Insolvency etc.**

2.1 The Purchaser is not insolvent or unable to pay its debts as they fall due.

2.2 There are no proceedings in relation to any compromise or arrangement with creditors or any winding-up, bankruptcy or other insolvency proceedings concerning any member of the Purchaser's Group which may adversely affect the ability of the Purchaser to comply with the Transaction Documents and, so far as the Purchaser is aware, no events have occurred which, under applicable laws, would justify such proceedings.

2.3 So far as the Purchaser is aware, no steps have been taken to enforce any security over any assets of any member of the Purchaser's Group which may adversely affect the ability of the Purchaser to comply with the Transaction Documents and no event has occurred to give the right to enforce such security.

## **Schedule 5 Tax Indemnity**

- 1** The Seller shall pay to the Purchaser an amount equal to any Losses suffered or incurred by the Purchaser or any other member of the Purchaser's Group arising out of or in connection with any Tax payable by any Target Group Company for or attributable to:
  - 1.1** any Tax period which ends on or before the Closing Date or, in respect of a Tax period that begins before the Closing Date and ends after the Closing Date, the partial period of such Tax period that begins before the Closing Date and ends on the Closing Date; or
  - 1.2** with regard to any transactions conducted by any Target Group Company that have occurred on or before the Closing Date, any Taxes payable by such Target Group Company on behalf of any other persons as a transferee, successor or withholding agent as required under any applicable law, contract or otherwise.
  
- 2** Without limiting the generality of paragraph 1, the Seller shall pay to the Purchaser an amount equal to any Losses suffered or incurred by the Purchaser or any other member of the Purchaser's Group in connection with any Tax or Losses suffered or incurred by any Target Group Company arising out of or in connection with any of the following matters, in each case as finally adjudged by the Tax Authority (including Losses suffered or incurred by any Target Group Company in responding to or defending any review, investigation or proceedings conducted by any Tax Authority in connection with any such matter):
  - 2.1** any incorrect application of Tax rates by any Target Group Company;
  - 2.2** any discrepancies in the revenues or profits reported to Tax Authorities and the revenues or profits actually generated by any Target Group Company;
  - 2.3** lack of or insufficient document supporting the Tax Returns, reports, disclosure, or positions;
  - 2.4** lack of or insufficient rationale or documentation supporting income declared and deduction claimed in relation to transactions conducted by any Target Group Company with a member of the Seller's Group or any of Affiliates as well as any tax claims from adjustments in case of non-arm's length transactions;
  - 2.5** any underreporting or incorrect reporting of taxes as a result of, or which arises out of or in connection with subsidy income by a member of the Seller's Group or any of its Affiliates; or
  - 2.6** any criminal charges imposed on any Target Group Company in relation to the matters above.

## Schedule 6 Form of Deed of Assignment

**This Deed of Assignment** (the “**Deed**”) is made on [●] **between:**

- (1) **R&F PROPERTIES (HK) COMPANY LIMITED** 富力地產(香港)有限公司 a company incorporated in Hong Kong with limited liability whose registered office is at Room 6303, The Center, No. 99 Queen’s Road Central, Hong Kong (the “**Assignor**”);
- (2) **LONDON ONE LIMITED** a company incorporated in the Cayman Islands whose registered office is at Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place, 103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002, Cayman Islands (the “**Assignee**”); and
- (3) **R&F INTERNATIONAL REAL ESTATE INVESTMENT CO. LIMITED** 富力國際地產投資有限公司, a company incorporated in Hong Kong with limited liability whose registered office is at Room 6303, The Center, No. 99 Queen’s Road Central, Hong Kong (the “**Company**”).

**Whereas:**

- (A) The Assignor and the Assignee are parties to a share purchase agreement dated [●] (the “**Agreement**”).
- (B) Pursuant to the terms of the Agreement, the Assignor will assign to the Assignee all principal and interest owed by the Company to the Seller as at Closing (being [●]) (the “**Shareholder Loan**”). The parties have agreed to the assignment of the Shareholder Loan on the terms and conditions set out below.

**It is agreed** as follows:

### **1 Interpretation**

- 1.1 Unless otherwise defined in this Deed, words and expressions defined in the Agreement shall have the same meaning wherever used in this Deed.
- 1.1 Each reference in this Deed to this Deed or any other agreement, document or deed shall be construed as a reference to this Deed or such other agreement, document or deed as each of the same may be amended, varied, novated or supplemented from time to time.

### **2 Assignment**

- 2.1 With effect from the date of this Deed the Assignor hereby assigns to the Assignee absolutely all the Assignor’s benefits, interests, rights and claims in and to the Shareholder Loan and the Assignee hereby agrees to accept such assignment from the Assignor.
- 2.2 The Company hereby agrees and consents to such assignment.

### **3 Continuing Effect**

For the avoidance of doubt, the Shareholder Loan shall continue in full force and effect and its terms and conditions shall have changed only to the extent set out in this Deed, as applicable.

### **4 Further Assurances**

Each of the parties to this Deed agrees to perform (or procure the performance of) all further acts and things and execute and deliver (or procure the execution and delivery of) such further documents as may be required by law or as any party may reasonably require to effect the assignment referred to in Clause 2 and to give any party the full benefit of this Deed.

### **5 Invalidity**

**5.1** If any provision in this Deed shall be held to be illegal, invalid or unenforceable, in whole or in part, the provision shall apply with whatever deletion or modification is necessary so that the provision is legal, valid and enforceable and gives effect to the commercial intention of the parties.

**5.2** If and to the extent it is not possible to delete or modify the provision, in whole or in part, under Clause 5.1, then such provision or part of it shall, if and to the extent that it is illegal, invalid or unenforceable, be deemed not to form part of this Deed and the legality, validity and enforceability of the remainder of this Agreement shall, subject to any deletion or modification made under Clause 5.1, not be affected.

### **6 Third Party Rights**

A person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Ordinance (Cap. 623 of the Laws of Hong Kong) to enforce any term of, or enjoy any benefit under, this Deed.

### **7 Counterparts**

This Deed may be executed in any number of counterparts and by the parties to it on separate counterparts, each of which shall be an original but all of which together shall constitute one and the same instrument.

### **8 Governing Law and Jurisdiction**

**8.1** This Deed and the documents to be entered into pursuant to it and any non-contractual obligations arising out of or in connection with this Deed and such documents are governed by and shall be construed in accordance with Hong Kong law.

**8.2** Each party irrevocably agrees that the Courts of Hong Kong are to have exclusive jurisdiction to settle any dispute which may arise out of or in connection with this Deed and the documents to be entered into pursuant to it and that accordingly any proceedings arising out of or in connection with this Deed and the documents to be

entered into pursuant to it shall be brought in such courts. Each party irrevocably submits to the jurisdiction of such courts and waives any objection to proceedings in any such court on the ground of venue or on the ground that proceedings have been brought in an inconvenient forum.

In witness whereof this Deed has been delivered on the date first stated above.

Executed as a deed by **R&F  
PROPERTIES (HK) COMPANY  
LIMITED** 富力地產(香港)有限公  
司 and signed on behalf of the  
company by [two directors] /  
[one director and the secretary]



.....  
[insert name], Director

.....  
[insert name], [Secretary/Director]

Signed, sealed and delivered as a deed by  
[name of authorised signatory(ies)], who, in  
accordance with the laws of the Cayman  
Islands, is(are) authorised to execute this  
Deed on behalf of **LONDON ONE LIMITED**



Executed as a deed by **R&F  
INTERNATIONAL REAL  
ESTATE INVESTMENT CO.  
LIMITED** 富力國際地產投資有限  
公司 and signed on behalf of the  
company by [two directors] /  
[one director and the secretary]



.....  
[insert name], Director

.....  
[insert name], [Secretary/Director]

**APPENDIX 2**  
**FORM OF THE DISCLOSURE LETTER**

**PRIVATE AND CONFIDENTIAL**

**DISCLOSURE LETTER**

[\*]

To : LONDON ONE LIMITED  
Harneys Fiduciary (Cayman) Limited, 4th Floor, Harbour Place,  
103 South Church Street, P.O. Box 10240, Grand Cayman KY1-1002,  
Cayman Islands

From : R&F PROPERTIES (HK) COMPANY LIMITED 富力地產(香港)有限公司

Dear Sirs,

**SALE AND PURCHASE OF ALL OF THE ISSUED SHARES OF R&F INTERNATIONAL REAL ESTATE INVESTMENT CO. LIMITED 富力國際地產投資有限公司 (THE "COMPANY") AND THE TRANSFER OF THE SHAREHOLDER LOAN**

We refer to the agreement (the "**Agreement**") entered into on the date hereof between R&F PROPERTIES (HK) COMPANY LIMITED 富力地產(香港)有限公司 (the "**Seller**") and LONDON ONE LIMITED (the "**Purchaser**") relating to the sale and purchase of 100 ordinary shares of the Company (representing all the issued shares of the Company) and the transfer of the shareholder loan on the terms and subject to the conditions set out therein.

1. Unless otherwise specified, words and expressions defined in the Agreement shall have the same meanings in this letter and the principles of interpretation set out in clause 1.2 to 1.12 of the Agreement shall apply to this letter.
2. For the purpose of the Agreement, the Disclosure Letter comprises:
  - (A) this letter;
  - (B) all information contained in the documents attached or deemed attached to in this letter;
  - (C) the information and documents provided or otherwise made available to the Purchaser and/or its representatives and advisers involved in the negotiation and preparation of the Agreement and/or the due diligence on the Target Group conducted in relation to the transactions contemplated

under the Agreement (such representatives and advisers are collectively referred to as the “**Purchaser Representatives**”) by or on behalf of the Seller and/or each member of the Target Group in whatever form (physical, electronic or otherwise) being the documents listed in the document index in the **Schedule**; and

(D) all matters, information and documents deemed to be incorporated into this letter by virtue of paragraph 6,

(collectively, the “**Disclosure Bundle**”).

3. The disclosure of any matter hereby or herein shall not imply any representation, warranty, undertaking, assurance, covenant, indemnity, guarantee or other commitment of any nature whatsoever not expressly given in the Agreement, and none of the Disclosures shall have the effect of, or be construed as, adding to or extending the scope of any of the Seller’s Warranties.
4. The disclosure of any matter hereby or herein is additional to and shall not prejudice or limit any disclosure made under or pursuant to the Agreement or any other Transaction Document.
5. Where any conflict arises between the contents of any document or information provided to the Purchaser and/or the Purchaser Representatives before the date of this letter and the information contained in this letter, the information contained in this letter shall prevail and the Seller shall not be under any liability in respect of any such inconsistency.
6. The Disclosures shall be construed as including, and there is deemed to be incorporated in this letter, all the information contained or referred to in or which would be disclosed to the Purchaser and/or the Purchaser Representatives by virtue of:
  - (A) the Transaction Documents (including any schedules or attachments thereto) and any deeds or documents to be entered into and all transactions to be implemented pursuant to the Transaction Documents including any documents referred to therein;
  - (B) all matters disclosed in any announcement, circular, annual report, interim report, return, prospectuses, listing documents or other document of Listed Company posted on or otherwise available on the website of The Stock Exchange of Hong Kong Limited at [www.hkexnews.hk](http://www.hkexnews.hk) on or after 6 July 2018;
  - (C) a search of:
    - (i) the filings of each member of the Target Group with the relevant companies registry or similar bodies or organisations in the United Kingdom;

- (ii) the filings or other public records with respect to the Property including the database of the HM Land Registry;
- (iii) the database of the Central Registry of Winding Up Petitions in the United Kingdom against the names of the relevant member of the Target Group;
- (iv) the court filings available at the HM Courts & Tribunals E-Filing Service,

in each case made on [ ] 2024;

(D) a search of:

- (i) the filings of each member of the Target Group with the relevant companies registry in Hong Kong;
- (ii) the database of the Official Receiver's Office in Hong Kong against the names of the relevant member of the Target Group;
- (iii) the database of the Cause Book of the Registry of the High Court and District Court of Hong Kong, the Daily Cause List of the Court of Final Appeal of Hong Kong, the High Court of Hong Kong, the District Court of Hong Kong, the Small Claims Tribunal of Hong Kong, the Magistrates' Courts of Hong Kong, the Labour Tribunal of Hong Kong, the Lands Tribunal of Hong Kong, the Coroner's Court of Hong Kong, the Competition Tribunal of Hong Kong and the Obscene Articles Tribunal of Hong Kong;

in each case made on [ ] 2024;

(E) all information and matters relating to the relevant member of the Target Group which are actually known to the Purchaser and/or any of the Purchaser Representatives;

(F) all the written replies, documents and information supplied to the Purchaser and/or the Purchaser Representatives by or on behalf of the Seller and/or each member of the Target Group in response to questions raised by the Purchaser and/or the Purchaser Representatives and information contained in written correspondence between the parties and/or their respective representatives and/or advisers involved in the negotiation and preparation of the Agreement and/or the due diligence on the Target Group during the period of negotiations; and

(G) all the information contained to in the Data Room.

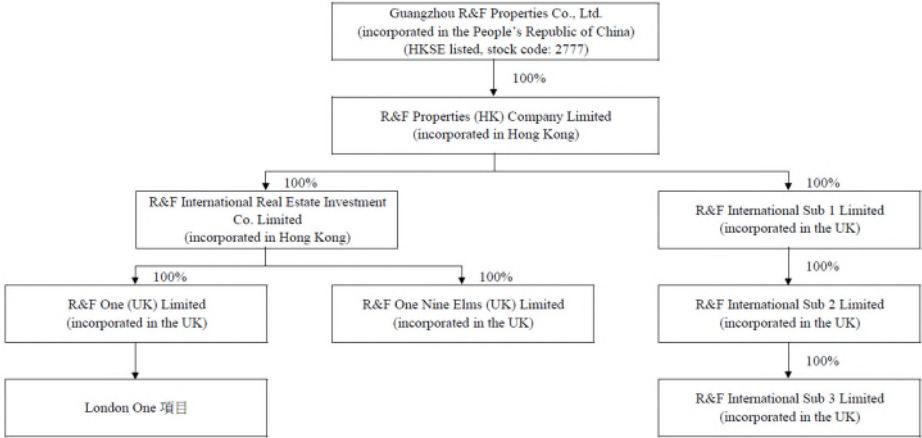

7. Where there are disclosed in or by virtue of this Disclosure Letter estimates or forecasts as to the amount of any liability, cost or expense then, provided that

such estimates or forecasts are provided in good faith, if the amount thereof shall turn out to be inaccurate, such fact shall not of itself render a Disclosure unfair.

8. Where brief particulars only of a matter are set out in this Disclosure Letter or in any of the Disclosures or a reference is made to a particular part only of a document attached to this letter, the full contents of the document are deemed to be disclosed if it is included in the Disclosure Bundle.
9. The mere inclusion of an item herein as an exception to a representation or warranty shall not be deemed an admission that such item represents a material exception or material fact, event or circumstance or that such item has had or would reasonably be expected to have, individually or in the aggregate, a material adverse change or effect, nor shall it be deemed to establish a standard for materiality or a material adverse change or effect. No disclosure in this letter shall be deemed by any person to be an admission that any breach or violation of any contract or Applicable Law exists, has occurred, is likely to occur or is possible. Nothing in this letter shall be deemed by any person to be an admission of liability of any person, or an admission of the existence of an obligation of any person (including the Seller, each member of the Target Group and/or their respective Affiliates) to any other person, or an admission against the interests of any person (including the Seller, each member of the Target Group and/or their respective Affiliates).
10. Matters reflected in this letter are not necessarily limited to matters required by the Agreement to be reflected in this letter. Such additional matters are set forth herein for information purposes and do not necessarily include other matters of a similar nature.
11. In disclosing the information in this letter, the Seller expressly does not waive any attorney-client privilege associated with such information or any protection afforded by the work-product doctrine with respect to any of the matters disclosed or discussed herein.
12. Without limiting the preceding paragraphs of this letter, the following matters are also disclosed. For convenience only, the headings and paragraph numbers below correspond to those in Schedule 3 to the Agreement. As mentioned above, the Disclosures shall apply to all the Seller's Warranties and a Disclosure shall not be limited in any way to any specific Seller's Warranty.
13. This letter is governed by and shall be construed in accordance with the laws of Hong Kong.

## Specific Disclosures

Seller's Warranty	Specific Disclosure
<p>2.1.5</p> <p>2.1.6</p> <p>4.2</p> <p>5.2.1(ii)</p>	<p>Details of encumbrances given in connection with the Senior Loan and the Mezzanine Loan are set out below:</p> <p>(a) a security over the assets of R&amp;F ONE (UK) LIMITED entered into by R&amp;F One (UK) Limited, R&amp;F One Nine Elms (UK) Limited and R&amp;F International Sub 3 Limited in favour of Situs Asset Management Limited (the “<b>Common Security Agent</b>”) dated 13 June 2022;</p> <p>(b) a security over subordinated debt entered into by R&amp;F One (UK) Limited, R&amp;F One Nine Elms (UK) Limited, R&amp;F International Sub 3 Limited and R&amp;F International Sub 2 Limited as subordinated creditors in favour of the Common Security Agent dated 13 June 2022;</p> <p>(c) a security over the assets of each of R&amp;F International Sub 2 Limited, and R&amp;F International Sub 1 Limited entered into by the aforesaid entities in favour of Situs Asset Management Limited (the “<b>Mezzanine Security Agent</b>”) dated 13 June 2022; and</p> <p>(d) a security over subordinated debt entered into by R&amp;F International Sub 2 Limited, R&amp;F One Nine Elms (UK) Limited, R&amp;F One (UK) Limited, R&amp;F International Sub 3 Limited and R&amp;F International Sub 1 Limited, R&amp;F International Real Estate Investment Co. Limited 富力國際地產投資有限公司 as subordinated creditor in favour of the Mezzanine Security Agent dated 13 June 2022.</p>
<p>2.1.8</p>	<p>Pursuant to the Hotel Services Agreement dated 16 January 2019 relating to the Park Hyatt London River Thames between Hyatt International (Europe Africa Middle East) LLC (“<b>Hyatt</b>”) and R&amp;F One (UK) Limited (“<b>Owner</b>”) (as amended, the “<b>HSA</b>”), the Owner may permit the transfer of a Controlling Interest (as defined in the HSA) subject to the terms of the HSA, and at least 30 calendar days in advance of any such transfer, the Owner shall provide written notice to Hyatt and shall promptly furnish all information reasonably requested by Hyatt to confirm that any prospective buyer or transfer is not a Prohibited Party (as defined in the HSA).</p>
<p>2.1.12</p>	<p>The below restructuring with respect to the shares of the relevant Target Group Company took place on 13 June 2022. The shareholding structure immediately before and after such restructuring is as follows:</p>

	<p><b>Before</b></p>  <p><b>After</b></p> 
4.2	<p>(a) R&amp;F Properties (HK) Company Limited 富力地產(香港)有限公司 granted a cost overrun and interest guarantee in favour of the Common Security Agent dated 31 May 2022.</p> <p>(b) Multiplex Global Limited granted a guarantee in favour of R&amp;F One (UK) Limited dated 3 August 2017 to guarantee the due and proper performance by Multiplex Construction Europe Limited of its obligations arising under the contract between R&amp;F One (UK) Limited and Multiplex Construction Europe Limited for the carrying out and completion of the project at One Nine Elms Lane London SW8 5NQ.</p>
4.5	Set out below are details of the bank accounts of the Target Group:

	公司名称	银行	账户名称	银行账号
1	R&F ONE (UK) LIMITED	HSBC BANK PLC	R&F ONE (UK) LIMITED	401160 01401955
2	R&F ONE (UK) LIMITED	HSBC BANK PLC	R&F ONE (UK) LIMITED	401160 03018237
3	R&F ONE (UK) LIMITED	HSBC BANK PLC	R&F ONE (UK) LIMITED	401160 03018245
4	R&F ONE (UK) LIMITED	HSBC BANK PLC	R&F ONE (UK) LIMITED	401160 43018288
5	R&F ONE (UK) LIMITED	HSBC BANK PLC	R&F ONE (UK) LIMITED	401160 51401947
6	R&F ONE (UK) LIMITED	HSBC BANK PLC	R&F ONE (UK) LIMITED	401160 53018210
7	R&F ONE (UK) LIMITED	HSBC BANK PLC	R&F ONE (UK) LIMITED	401160 93018253
8	R&F ONE (UK) LIMITED	HSBC BANK PLC	R&F ONE (UK) LIMITED	401160 93018261
9	R&F One Nine Elms (UK) Limited	HSBC BANK PLC	R&F One Nine Elms (UK) Limited	401160 91415808
10	R&F One Nine Elms (UK) Limited	HSBC BANK PLC	R&F One Nine Elms (UK) Limited	401160 91415816
11	R&F International Sub 2 Limited	HSBC BANK PLC	R&F International Sub 2 Limited	401160 61412264
12	R&F International Sub 2 Limited	HSBC BANK PLC	R&F International Sub 2 Limited	401160 63018911
13	R&F One Hotel (UK) Limited	HSBC BANK PLC	R&F One Hotel (UK) Limited Operatin	401160 51456172
14	R&F One Hotel (UK) Limited	HSBC BANK PLC	R&F One Hotel (UK) Limited FF&E Acc	401160 51456180

**SCHEDULE (Document Index)**

Please acknowledge receipt of this Disclosure Letter, and its attachments, and confirm your acceptance of its contents, by signing and returning to us the enclosed copy of this letter.

Yours faithfully,

.....  
R&F PROPERTIES (HK) COMPANY LIMITED 富力地產(香港)有限公司

We acknowledge receipt of this Disclosure Letter, and its attachments, is acknowledged by us and the contents of this Disclosure Letter are accepted on the terms set out in it.

Dated:

Yours faithfully,

LONDON ONE LIMITED

.....  
**Name:**

**Title:**