

DATED 1 FEBRUARY 2024

FUTURE STAR INTERNATIONAL LIMITED
as Vendor

and

POLYTEC HOLDINGS INTERNATIONAL LIMITED
(保利達控股國際有限公司)
as Purchaser

SALE AND PURCHASE AGREEMENT
in relation to the issued shares in, and shareholder's loan due by,
RIDEON LIMITED (威鞍有限公司)

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THIS AGREEMENT is made on the 1st day of February 2024

BETWEEN:

- (1) **FUTURE STAR INTERNATIONAL LIMITED**, a company incorporated in the British Virgin Islands whose registered office address is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands and whose correspondence address in Hong Kong is at 23/F, Pioneer Centre, 750 Nathan Road, Kowloon, Hong Kong (the “**Vendor**”); and
- (2) **POLYTEC HOLDINGS INTERNATIONAL LIMITED** (保利達控股國際有限公司), a company incorporated in the British Virgin Islands whose registered office address is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands and whose correspondence address in Hong Kong is at 12/F., South China Building, 1-3 Wyndham Street, Central, Hong Kong (the “**Purchaser**”).

WHEREAS:

- (A) The Target Company was incorporated on 28 November 2012 under the laws of the British Virgin Islands with limited liability. As at the date of this Agreement, the Vendor is the sole legal and beneficial owner of ten (10) Shares, representing the entire issued share capital of the Target Company. Particulars of the Target Company and its subsidiaries are set out in Schedule 1.
- (B) The Vendor is a direct wholly-owned subsidiary of Kowloon Development Company Limited (“**KDC**”), a company incorporated in Hong Kong with limited liability and whose shares are listed on the Main Board of the Stock Exchange under Stock Code 34.
- (C) The Sale Shares represent 60% of the total issued share capital of the Target Company and the Sale Loan represents 60% of the aggregate amount of loans, interests (if any) and other sums and indebtedness due by the Target Company to the Vendor as at 31 December 2023.
- (D) The Vendor desires to sell, and the Purchaser desires to purchase, the Sale Shares, and the Vendor also desires to sell and assign, and the Purchaser also desires to purchase, the benefit of, by way of assignment, the Sale Loan, in each case on the terms and conditions set out in this Agreement.

IT IS HEREBY AGREED as follows:

1. Definitions and Interpretation

1.1 Definitions

In this Agreement (including the Recitals and Schedules), where the context requires otherwise, the following words and expressions shall have the following meanings:

“**Accounts Date**” means 31 December 2022;

“**Associate**” has the meaning given to the term “close associate” in the Listing Rules;

“**Audited Accounts**” means the audited financial statements of the PRC Subsidiaries for the financial year ended on the Accounts Date;

“**Authorities**” means any governments, courts, governmental, regulatory or official authorities, departments, agencies or bodies, stock exchange whether in Hong Kong or elsewhere and “**Authority**” means any one of them;

“**Board**” means the board of directors of the Target Company;

“**Business Day**” means a day on which banks in Hong Kong are open for general banking transactions (excluding Saturdays, Sundays, public holidays and any weekday on which a tropical cyclone warning signal number 8 or above is hoisted, or a black rainstorm warning signal or “extreme conditions” caused by a super typhoon announced by the Government of Hong Kong is/are in force in Hong Kong at any time between 9:00 am and 5:00 pm);

“**Claim**” means a claim against the Vendor for breach of any Warranties, or any other claim by the Purchaser against the Vendor under this Agreement or other Transaction Documents;

“**Companies Ordinance**” means the Companies Ordinance (Chapter 622 of the Laws of Hong Kong);

“**Completion**” means completion of the sale and purchase of the Sale Shares and the Sale Loan pursuant to Clause 5;

“**Completion Date**” means the third (3rd) Business Day after satisfaction of the Conditions (other than the condition set out in Clause 4.1.2, which is to be satisfied or remain satisfied on the Completion Date, the date as determined under Clause 5.4(b) or such other date as mutually agreed between the Purchaser and the Vendor in writing;

“**Conditions**” means the conditions set out in Clause 4.1;

“**Confidential Information**” has the meaning set out in Clause 8.1;

“**Consideration**” means the aggregate price payable for the purchase of the Sale Shares and the Sale Loan as set out in Clause 3.1;

“**Costs**” means all demands, claims, actions, proceedings, damages, payments, customs or other duties, fines, penalties, losses, costs (including reasonable legal costs), expenses (including Tax), disbursements or other liabilities or obligations of any nature;

“**Deed of Assignment**” means the deed of assignment in substantially the form set out in Schedule 5 to be executed by the Vendor in favour of the Purchaser or any person nominated by the Purchaser upon Completion for assigning such owner’s interest in the said loan to the Purchaser or to its nominee(s);

“**Deposit**” has the meaning set out in Clause 3.2.1(a);

“**Disclosed**” means (i) fairly and accurately disclosed and sufficient details to identify the nature and scope of the matter, fact or circumstance so disclosed; (ii) obtained by the Purchaser or any of its advisors during the course of any investigation by or on behalf of the Purchaser into the affairs of any member of the Target Group (including information and confirmation provided by or on behalf of the Vendor and/or members of the Target Group to the Purchaser or any of its advisors as part of any due diligence carried out on the Target Group and the Accounts); or (iii) contained or referred to in any of the Transaction Documents, and “**Disclosure**” shall be construed accordingly;

“**Dispute**” has the meaning set out in Clause 12.2.1;

“**Encumbrance**” means any claim, charge, mortgage, security, lien, option, equity, power of sale, hypothecation or other third party rights, retention of title, right of pre-emption, right of first refusal or security interest of any kind;

“**HK\$**” means Hong Kong dollar, the lawful currency of Hong Kong;

“**HKIAC**” means the Hong Kong International Arbitration Centre;

“**Hong Kong**” means the Hong Kong Special Administrative Region of the PRC;

“**KDC**” has the meaning set out in Recital (B);

“**Land**” means the parcel of land owned by the Owner, particulars of which are set out in Schedule 1;

“**Listing Rules**” means the Rules Governing the Listing of Securities on the Stock Exchange;

“**Long-stop Date**” means 30 June 2024, or such other date as may be agreed between the Purchaser and the Vendor in writing;

“**Notice**” has the meaning set out in Clause 11;

“**Owner**” means 上海揚業房地產開發有限公司, a company established in the PRC with limited liability, particulars of which are set out in Schedule 1;

“**Parties**” means the named parties to this Agreement and their respective successors, permitted assigns and legal personal representatives and “**Party**” means any one of them;

“**PRC**” means the People’s Republic of China;

“**PRC Subsidiaries**” means 瀋陽智信資產管理有限公司, 上海城昱置業有限公司 and the Owner, being companies incorporated in the PRC which are indirect wholly-owned subsidiaries of the Target Company;

“**Purchaser Warranties**” means the representations and warranties given pursuant to Clause 7.1 and set out in Schedule 4 and “**Purchaser Warranty**” means any one of them;

“**RMB**” means Renminbi, the lawful currency of the PRC;

“**Sale Loan**” means 60% of the aggregate amount of loans, interests (if any) and other sums and indebtedness due by the Target Company to the Vendor as at 31 December 2023, particulars of which are set out in Schedule 2;

“**Sale Shares**” means six (6) Shares, representing 60% of the total issued share capital of the Target Company;

“**Shares**” means ordinary shares of US\$1.00 each in the capital of the Target Company;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited;

“**Surviving Provisions**” means Clauses 1 (*Definitions and Interpretation*), 3.2.2, 4.3 (*Non-Satisfaction or Waiver*), 6.4 (*Time Limitation for Claims*), 6.5 (*Limitations on Quantum*), 6.6 (*Limitations on Liability*), 8 (*Confidentiality*), 9 (*Costs and Expenses*), 10.1 (*Successors and Assigns*), 10.2 (*Assignment*), 10.3 (*Entire Agreement*), 10.4 (*Variations*), 10.6 (*Invalidity*), 10.7 (*Remedies*), 10.8 (*No Waiver*), 10.12 (*Counterparts*), 10.13 (*Third Party Rights*), 11 (*Notices*) and 12 (*Governing Law and Arbitration*);

“**Target Company**” means Rideon Limited (威鞍有限公司), a company incorporated in the British Virgin Islands and whose particulars are set out in Schedule 1;

“**Target Group**” means the Target Company and its subsidiaries from time to time and whose particulars are set out in Schedule 1;

“**Tax**” means all forms of tax whether direct or indirect and whether levied by reference to income, profits, gains, asset values or other reference and statutory, governmental or state impositions, duties, contributions, rates and levies, whenever and wherever imposed (whether imposed by way of a withholding or deduction for or on account of tax or otherwise) and all penalties, charges, costs and interest relating thereto;

“**Transaction Documents**” means this Agreement, the Deed of Assignment and any other documents ancillary or incidental to the transactions contemplated hereunder;

“**Warranties**” means the representations and warranties given pursuant to Clause 6.1 and set out in Schedule 3 and “**Warranty**” means any one of them; and

“**US\$**” means United States of America dollar, the lawful currency of the United States of America.

1.2 **Modification, etc. of Legislation**

Any references, express or implied, to statutes or statutory provisions shall be construed as references to those statutes or provisions as respectively amended or re-enacted or as their application is modified from time to time by other provisions (whether before or after the date of this Agreement) and shall include any statutes or provisions of which they are re-enactments (whether with or without modification) and any orders, regulations, instruments or other subordinate legislation under the relevant statute or statutory provision. References to Sections of consolidating legislation shall, wherever necessary or appropriate in the context, be construed as including references to the Sections of the previous legislation from which the consolidating legislation has been prepared.

1.3 **Clauses, Schedules, etc.**

References in this Agreement to Clauses, Recitals and Schedules are to clauses in, and recitals and schedules to, this Agreement (unless the context otherwise requires). The Recitals and Schedules to this Agreement shall be deemed to form part of this Agreement.

1.4 **Headings**

Headings are inserted for convenience only and shall not affect the construction of this Agreement.

1.5 **Subsidiary**

In this Agreement, the expression “**subsidiary**” shall have the same meaning as the definition of “subsidiary undertaking” in the Companies Ordinance.

1.6 **Persons**

References to “**persons**” shall include bodies corporate, unincorporated associations and partnerships (whether or not having separate legal personality).

1.7 **Writing**

References to “**writing**” or “**written**” shall include any methods of producing or reproducing words in a legible and non-transitory form but, for the avoidance of doubt, shall not include email.

1.8 **Gender**

The masculine gender shall include the feminine and neuter and the singular number shall include the plural and vice versa.

1.9 **Time**

Any reference to a time of a day is to Hong Kong time.

1.10 **Knowledge of the Vendor**

Where any statement is to the effect that the Vendor is not aware of any matter or circumstance or is a statement qualified by the expression “**so far as the Vendor is aware**” or any similar expression, that statement shall include a further statement that it has been made after due and careful enquiries.

1.11 **Business Day**

Where under this Agreement the day on which any act, matter or thing is to be done is a day other than a Business Day, such act, matter or thing shall be done on the immediately succeeding Business Day.

1.12 **Modification of Agreement**

References to “**this Agreement**” or to any other agreement or document referred to in this Agreement means this agreement or such other agreement or document as amended, varied, supplemented, modified or novated from time to time, and includes the Schedules and any schedules to any such other agreement or document.

1.13 **Include not Limiting**

“**Include**”, “**including**”, “**are inclusive of**” and similar expressions are not expressions of limitation and shall be construed as if followed by the words “without limitation”.

1.14 Construction of Certain References

1.14.1 In construing this Agreement:

- (a) the rule known as the ejusdem generis rule shall not apply and, accordingly, general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things; and
- (b) general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words.

1.14.2 This Agreement may not be construed adversely to a Party only because that Party was responsible for preparing it.

2. Sale and Purchase

2.1 On the terms and subject to the conditions of this Agreement:

- (a) the Vendor shall sell as legal and beneficial owner, and the Purchaser shall purchase, the Sale Shares, free from all Encumbrances and together with all rights attaching or accruing to them at Completion; and
- (b) the Vendor shall assign and procure the assignment of, and the Purchaser shall take the assignment of, all benefits, interests and obligations of and in the Sale Loan, together with all rights attaching thereto with effect from the Completion Date.

3. Consideration

3.1 Consideration

The aggregate consideration for the sale and purchase of the Sale Shares and the Sale Loan shall be HK\$1,391,957,000 (the "**Consideration**"), which shall be apportioned as to HK\$428,223,000 for the Sale Shares and as to HK\$963,734,000 for the Sale Loan.

3.2 Satisfaction of the Consideration

3.2.1 The Consideration shall be settled by the Purchaser in the following manner (or in such other manner as the Parties may agree in writing):

- (a) as to HK\$139,196,000 (representing approximately 10% of the Consideration), to be settled on the date of this Agreement by way of deposit (the "**Deposit**") in cash by way of a cheque or cashier order drawn on a licensed bank in Hong Kong in favour of the Vendor (or its nominee(s) as the Vendor may direct in writing); and
- (b) as to the remaining balance of an amount of HK\$1,252,761,000, to be settled on the Completion Date in cash and/or by way of settlement of loan from a related company of KDC as the Vendor may direct in writing.

3.2.2 Upon Completion, the Deposit shall be credited towards the Consideration. In the event that Completion does not occur for any reason, the Vendor shall within five (5) Business Days refund the Deposit without deduction, withholding or interest to the Purchaser.

3.3 **Act or Omission**

The Purchaser undertakes not to, and to procure that no other person shall, take or omit to take any action which would or might reasonably be expected to prejudice the right of the Vendor under this Agreement or otherwise adversely affect the Purchaser's ability to fulfil its obligations under this Agreement.

4. **Conditions**

4.1 **Conditions Precedent**

Completion is subject to the satisfaction or, if applicable, waiver of the following conditions:

4.1.1 **KDC Shareholders' Approval:** KDC having obtained the independent shareholders' approval of this Agreement and the transactions contemplated thereunder as required under the Listing Rules; and

4.1.2 **No Prohibitive Action:** no notice, order, judgement, action or proceeding of any court, arbitrator, Authority, statutory or regulatory body having been served, issued or made which restrains, prohibits or makes unlawful any transaction contemplated by this Agreement or which is reasonably likely to materially and adversely affect the right of the Purchaser to own the legal and beneficial title to the Sale Shares and the Sale Loan, free from Encumbrances, following the Completion Date.

4.2 **Responsibilities for Satisfaction**

4.2.1 Each Party shall use its best endeavours to ensure the satisfaction of the Conditions as soon as possible after the date of this Agreement but in any event no later than the Long-stop Date.

4.2.2 Each Party agrees that upon being requested by the other Party, it shall promptly co-operate with and provide all necessary information and reasonable assistance requested or required by any Authority in connection with the proposed transactions contemplated by this Agreement.

4.3 **Non-Satisfaction or Waiver**

If the condition set out in Clause 4.1.1 is not satisfied on or before the Long-stop Date or the other condition is not satisfied or waived on or before the Completion Date, either Party may terminate this Agreement by notice in writing to the other Party, provided however that (a) the Surviving Provisions shall continue in force following the lapse of this Agreement; and (b) the termination of this Agreement shall be without prejudice to the rights and liabilities of any Party accrued prior to such termination. In all other such circumstances, the Agreement shall lapse without liability to any Party.

5. **Completion**

5.1 **Date and Place**

Completion shall take place on the Completion Date at 23/F, Pioneer Centre, 750 Nathan Road, Kowloon, Hong Kong at 11:00 am (or such other time and place as the Purchaser and the Vendor may agree) when all (but not some only) of the events described in this Clause 5 shall occur.

5.2 Vendor's Obligations

At Completion, the Vendor shall:

- (a) deliver to the Purchaser (each in form and substance satisfactory to the Purchaser):
 - (i) the instrument of transfer in respect of the Sale Shares, duly executed by the Vendor in favour of the Purchaser (or its nominee);
 - (ii) original share certificate(s) in respect of Sale Shares held by the Vendor for cancellation;
 - (iii) three (3) counterparts of the Deed of Assignment, duly executed by the Vendor and the Target Company; and
 - (iv) a copy of the resolutions of the board of directors of the Vendor, duly certified by a director of the Vendor, approving (i) the transfer of the Sale Shares and the Sale Loan provided for in this Agreement and the transactions hereunder contemplated and (ii) the Transaction Documents and their execution and performance by the Vendor; and
- (b) procure the passing of resolutions of the Board, *inter alia*:
 - (i) cause the Purchaser to be registered in the Target Company's register of members in respect of the Sale Shares and to issue new certificate in favour of the Purchaser in respect of the relevant Sale Shares, each to take effect upon Completion; and
 - (ii) approving the assignment of the Sale Loan by the Vendor to the Purchaser and the execution of the Deed of Assignment,

and shall deliver to the Purchaser a copy of such Board resolutions, duly certified as a true copy by a director of the Target Company.

5.3 Purchaser's Obligations

At Completion, the Purchaser shall:

- (a) deliver to the Vendor a copy of the resolutions of the board of directors of the Purchaser, duly certified by a director of the Purchaser and in form and substance satisfactory to the Vendor, approving (i) the transfer of the Sale Shares and the Sale Loan provided for in this Agreement and the transactions hereunder contemplated and (ii) the Transaction Documents and their execution and performance by the Purchaser; and
- (b) documentary evidence satisfactory to the Vendor that the Consideration has been settled in full pursuant to Clause 3.2.1.

5.4 **Right to Terminate**

If the foregoing provisions of this Clause 5 are not fully complied with by any Party by or on the Completion Date and the other Party is able and willing to comply with its obligations at Completion, the non-defaulting Party shall be entitled (in addition to and without prejudice to all other rights or remedies available to it including the right to claim damages) by written notice to the defaulting Party served on such date to:

- (a) effect Completion so far as practicable having regard to the default which has occurred;
- (b) fix a new date for Completion (being a date no later than five (5) Business Days after the agreed date for Completion), in which case the foregoing provisions of this Clause 5 shall apply to Completion as so deferred; or
- (c) elect to terminate this Agreement, whereupon all rights and obligations of the Parties shall cease to have effect, provided however that (a) the Surviving Provisions shall continue in force following the lapse of this Agreement; and (b) the termination of this Agreement shall be without prejudice to the rights of the non-defaulting Party accrued prior to such termination.

6. **Warranties, Indemnities and Undertakings of the Vendor**

6.1 **True and Accurate**

The Vendor represents, warrants and undertakes to and with the Purchaser that:

- (a) each Warranty is true and accurate in all material respects and not misleading in any material respect as at the date of this Agreement; and
- (b) each Warranty shall be true and accurate in all material respects and not misleading in any material respect as at Completion as if they had been given again at Completion.

6.2 **Reliance**

The Vendor acknowledges that the Purchaser has entered into this Agreement in reliance upon the Warranties, and has been induced by them to enter into this Agreement.

6.3 **Separate and Independent**

Each of the Warranties shall be separate and independent and, save as expressly provided to the contrary, shall not be limited by reference to or inference from any other Warranty or any other term of this Agreement.

6.4 **Time Limitation for Claims**

Notwithstanding anything stated to the contrary, it is agreed that the Vendor shall be under no liability in respect of any Claim and any such Claim shall be wholly barred and unenforceable unless a notice of the Claim (stating in reasonable detail the specific matters in respect of which the Claim is made and including so far as reasonably practicable an estimate of the maximum amount of the Claim) is given by the Purchaser to the Vendor no later than the expiry of 183 days after the Completion Date. Any Claim notified pursuant to this Clause 6.4 shall (if it has not been previously satisfied, settled or withdrawn) be deemed to be irrevocably withdrawn 90 days after the notice is given pursuant to this Clause 6.4, unless at the relevant time legal proceedings in respect of the Claim have been both issued and served.

6.5 Limitations on Quantum

Notwithstanding anything stated to the contrary, it is agreed that:

- (a) the maximum aggregate liability of the Vendor in respect of all Claims (including all legal and other costs and expenses) shall not exceed the amount of thirty per cent (30%) of the total consideration payable by the Purchaser under this Agreement; and
- (b) no liability shall attach to the Vendor in respect of any individual Claim (or a series of Claims arising from substantially identical facts or circumstances) unless the liability of the Vendor in respect of such Claim or series of Claims exceeds HK\$500,000.

6.6 Limitations on Liability

Notwithstanding anything stated to the contrary, it is agreed that the Vendor will not be liable for any Claim or breach of the Warranties, its obligations hereunder and/or other provisions of this Agreement:

- (a) to the extent that provision or reserve in respect thereof has been adequately made in the Accounts;
- (b) to the extent that the facts, matters or circumstances giving rise to the Claim (i) are Disclosed; or (ii) were known by the Purchaser or by any of its directors, officers, employees or agents, or financial, accounting or legal advisers who were involved in carrying out due diligence on the Target Group for the purposes of the transactions contemplated by this Agreement and other Transaction Documents or negotiating the terms of this Agreement and other Transaction Documents, prior to the date of this Agreement;
- (c) which would not have arisen but for a voluntary act, omission or transaction after Completion on the part of the Purchaser or any member of the Target Group which could reasonably have been avoided or carried out and which was not in the ordinary course of business or which arises from something done or omitted at the Purchaser's written request or with its written consent;
- (d) which arises as a result of legislation which comes into force after the date hereof and which is retrospective in effect or a change in the interpretation of the law, rule or regulation (including a change to any Tax rates or application of Tax, imposition of a new Tax or removal of any existing Tax) after the date hereof (whether or not such change purports to be effective retrospectively in whole or in part) or if such Claim would not have arisen (or the amount of the Claim would not have been increased) but for any judgement delivered after the date hereof;
- (e) which, being a liability in respect of Taxation, arises by reason of an increase in the rates of Taxation made after Completion with retrospective effect or which arises in the ordinary course of business of the Target Group after Completion;
- (f) which arises as a result of a change in accounting policies of the Target Group after Completion;
- (g) to the extent that the Claim is based upon a liability which is contingent only or is otherwise not capable of being quantified unless and until such liability ceases to be contingent and becomes an actual liability or becomes capable of being quantified, as the case may be; or

- (h) if and to the extent that the breach giving rise to such Claim is capable of remedy (without cost or loss to the Purchaser or its subsidiaries) except to the extent that the relevant breach remains unremedied (without such cost) after the expiry of twenty (20) Business Days following receipt by the Vendor of notice from the Purchaser giving full particulars of the relevant breach and requiring it to be so remedied.

7. Warranties, Representations and Undertakings of the Purchaser

7.1 True and Accurate

The Purchaser represents, warrants and undertakes to and with the Vendor that:

- (a) each Purchaser Warranty is true and accurate and not misleading in any respect as at the date of this Agreement; and
- (b) each Purchaser Warranty shall be true and accurate and not misleading in any respect as at Completion as if they had been given again at Completion.

7.2 Reliance

The Purchaser acknowledges that the Vendor has entered into this Agreement in reliance upon the Purchaser Warranties, and has been induced by them to enter into this Agreement.

7.3 Separate and Independent

Each of the Purchaser Warranties shall be separate and independent and, save as expressly provided to the contrary, shall not be limited by reference to or inference from any other Purchaser Warranty or any other term of this Agreement.

7.4 Act or Omission

The Purchaser shall procure that (save only as may be necessary to give effect to this Agreement or with the prior written consent or at the written request of the Vendor) it shall not do, allow or procure any act or omission before Completion which would be reasonably likely to constitute a breach of any of the Purchaser Warranties in any respect if they were given at or any time prior to Completion or which would make any of the Purchaser Warranties untrue, inaccurate or misleading if they were so given.

7.5 Indemnity in respect of the Purchaser Warranties

The Purchaser covenants and undertakes to and with the Vendor to indemnify and hold harmless the Vendor and each of its Associates, from and against any and all Costs which any of them may at any time and from time to time sustain, incur or suffer as a result of or arising from any breach of any of the representations, warranties and undertakings made by the Purchaser in Clause 7.1.

7.6 Survival of Purchaser Warranties

The Purchaser Warranties shall survive Completion and the rights and remedies of the Purchaser and any claim made by the Vendor under this Agreement in respect of a breach of any of the Purchaser Warranties or indemnities contained in this Agreement shall not be affected by (a) Completion, or (b) the giving of any time or other indulgence by the Vendor to any person, or (c) the Vendor rescinding or not rescinding this Agreement by any other cause whatsoever.

8. **Confidentiality**

8.1 **Confidential Information**

Each Party undertakes to the other Parties that it shall treat as strictly confidential, and shall procure that its Associates and its and their respective directors, officers, employees and advisers treat as strictly confidential, all information (whether oral, graphic, written or in electronic form) which it receives or obtains as a result of entering into or performing this Agreement or the other Transaction Documents (the “**Confidential Information**”), including, without limitation:

- (a) information relating to the provisions and subject matter of this Agreement and the other Transaction Documents;
- (b) information relating to the existence of this Agreement and the other Transaction Documents and their purpose; and
- (c) information relating to the negotiations leading up to this Agreement and the other Transaction Documents, including any information relating to or in respect of any negotiations and communications between the Parties after the date of this Agreement.

Each Party shall not, and shall procure that its Associates and its and their respective directors, officers, employees and advisers shall not, use for its own business purpose or disclose to any third party any Confidential Information without the prior written consent of the other Parties.

8.2 **Exclusions**

The restrictions contained in Clause 8.1 shall not apply so as to prohibit disclosure or use of any information if and to the extent:

- (a) the disclosure or use is required by law or by any securities exchange or Authority pursuant to rules to which the Parties or their respective holding companies are subject, including the Listing Rules;
- (b) the disclosure is made by a Party to its Associates or to its or its Associates’ directors, officers, employees and advisers for purposes relating to this Agreement or any of the other Transaction Documents on terms that such Associates or directors, officers, employees and advisers undertake to comply with the provisions of Clause 8.1 in respect of such information as if they were a party to this Agreement or any of such other Transaction Documents;
- (c) the information becomes publicly available (other than by a breach of this Agreement);
- (d) the other Party has given prior written consent to the disclosure or use; or
- (e) the disclosure or use is required for the purpose of any judicial or arbitration proceedings arising out of this Agreement or any other Transaction Documents,

provided always that prior to disclosure or use of any information pursuant to Clause 8.2(a), the Party concerned shall promptly notify the other Parties of such requirement and shall consult with the other Parties where feasible and give due consideration to their reasonable requirements before complying with such requirement.

9. **Costs and Expenses**

Save as expressly provided in this Agreement or any other Transaction Documents, each Party shall pay its own costs (including Taxes) in connection with the negotiation, preparation, execution and implementation of this Agreement and the other Transaction Documents and any other matters in connection therewith.

10. **General**

10.1 **Successors and Assigns**

This Agreement shall be binding upon and enure for the benefit of the successors, permitted assigns and legal personal representatives of the Parties.

10.2 **Assignment**

10.2.1 The Purchaser shall not assign this Agreement or any of its rights and/or transfer any of its obligations under this Agreement to any third party without the prior written consent of the Vendor.

10.2.2 The Vendor may assign and transfer any of its rights (but not its obligations) under this Agreement in whole or in part and without restriction to any of its Associates.

10.3 **Entire Agreement**

This Agreement (together with the other Transaction Documents) constitutes the entire agreement between the Parties relating to the subject matter of this Agreement and shall with effect from the execution date supersede any previous agreements or arrangements between them relating to the subject matter hereof.

10.4 **Variations**

No variations of this Agreement shall be effective unless made in writing and signed by the Parties.

10.5 **Agreement Survives Completion**

The Warranties, the Purchaser Warranties and all other provisions of this Agreement shall remain in full force and effect notwithstanding Completion (except insofar as they set out obligations which have been fully performed at Completion).

10.6 **Invalidity**

If any provision or part of a provision of this Agreement shall be, or be found by any authority or court of competent jurisdiction to be, invalid or unenforceable, such invalidity or unenforceability shall not affect the other provisions or parts of such provisions of this Agreement, all of which shall remain in full force and effect.

10.7 Remedies

Notwithstanding any provision to the contrary, following the Completion, the remedies (and the related procedures and limitations) contemplated by this Agreement shall represent the sole and exclusive remedies of the Purchaser for any breach of the terms of this Agreement by the Vendor. Save as expressly provided to the contrary herein, including the prior sentence, the rights and remedies of each Party hereunder shall be cumulative and shall be in addition to and without prejudice to all other rights and remedies available to it (and, without prejudice to the generality of the foregoing, shall not extinguish any right to damages to which it may be entitled in respect of a breach of this Agreement) and no exercise or failure to exercise such a right shall constitute a waiver by it of any such other right or remedy.

10.8 No Waiver

No failure of a Party to exercise, and no delay or forbearance in exercising, any right or remedy in respect of any provision of this Agreement shall operate as a waiver of such right or remedy.

10.9 Further Assurance

At any time after the date of this Agreement, each Party shall, and shall use all reasonable endeavours to procure (to the extent it is legally or contractually entitled to do so) that any necessary third party shall, execute such documents and do such acts and things as the other Parties may reasonable require for the purpose of giving to such Parties the full benefit and provisions of this Agreement.

10.10 Time of the Essence

Time shall be of the essence of this Agreement, both as regards any dates, times and periods mentioned and as regards any dates, times and periods which may be substituted for them in accordance with this Agreement or by agreement in writing between the Parties.

10.11 Independent Legal Advice

Each of the Parties acknowledge that it has sought independent legal advice in relation to the execution of, and any other matters contemplated under, this Agreement, and that it is fully aware of the implications of the entering into of this Agreement and is satisfied with in all the matters relating to this Agreement and that it has not relied on any representations made by the other Party save and except those set out in this Agreement.

10.12 Counterparts

This Agreement may be executed in one or more counterparts, and by the Parties on separate counterparts, but shall not be effective until each Party has executed at least one counterpart and each such counterpart shall constitute an original of this Agreement but all the counterparts shall together constitute one and the same instrument.

10.13 Third Party Rights

10.13.1 Unless expressly provided to the contrary in this Agreement, a person who is not a Party has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce or to enjoy the benefit of any term of this Agreement.

10.13.2 Notwithstanding any term of this Agreement, the consent of any person who is not a Party is not required to rescind or vary this Agreement at any time.

11. Notices

11.1 Form and Addresses

Any notice or other communication in connection with this Agreement shall be in writing in English (a "Notice") and shall be sufficiently given or served if delivered or sent:

(a) in the case of the Vendor, to:

Address: 23/F, Pioneer Centre, 750 Nathan Road, Kowloon, Hong Kong
Fax Number: (852) 2789 1370
Attention: Mr Lai Ka Fai

(b) in the case of the Purchaser, to:

Address: 12/F., South China Building, 1-3 Wyndham Street, Central, Hong Kong
Fax Number: (852) 2810 0328
Attention: Mr Or Wai Sheun

or (in either case) to such other address or fax number as the relevant Party may have notified to the other Parties in writing in accordance with this Clause 11.

11.2 Delivery

11.2.1 Unless there is evidence that it was received earlier, a Notice is deemed given if:

- (a) delivered personally, when left at the address referred to in Clause 11.1;
- (b) sent by prepaid registered post or courier, three (3) Business Days (or five (5) Business Days if sent by airmail) after posting it; and
- (c) sent by fax, when confirmation of its transmission has been recorded by the sender's fax machine.

11.2.2 Any communication or document which becomes effective, in accordance with Clause 11.2.1 above, after 5:00 pm in the place of receipt shall be deemed only to become effective on the following day.

12. Governing Law and Arbitration

12.1 Governing Law

This Agreement is governed by, and shall be construed in accordance with, the laws of Hong Kong.

12.2 Arbitration

- 12.2.1 Any dispute, controversy or claim arising out of or relating to this Agreement or any other Transaction Documents or the breach, termination or invalidity thereof (each, a “**Dispute**”), shall be referred to and finally resolved by arbitration in accordance with the provisions of this Clause 12.2.
- 12.2.2 Where a Dispute is referred to arbitration by any Party, the arbitration shall take place in Hong Kong in accordance with the United Nations Commission on International Trade Law Arbitration Rules as at present in force. The appointing authority shall be the HKIAC. The arbitration shall be managed by the HKIAC in accordance with its practice, rules and regulations. The place of arbitration shall be in Hong Kong at the HKIAC. There shall be one arbitrator who shall be appointed by the HKIAC. The language to be used in the arbitral proceedings shall be Chinese and the applicable law of the arbitration shall be Hong Kong law.
- 12.2.3 The foregoing shall not preclude any Party from seeking interim relief or orders for interim preservation in any court of competent jurisdiction. Any such application to court shall not demonstrate an intention to act inconsistently in any way with the agreement to settle Disputes by arbitration set out in this Clause 12.2.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the date first above written.

SIGNED by
Lai Ka Fai (黎家輝)
for and on behalf of
FUTURE STAR INTERNATIONAL LIMITED

in the presence of:

)
) For and on behalf of
) FUTURE STAR INTERNATIONAL LIMITED
)
) 
)
) *Authorized Signature(s)*
Director/Authorised Signatory



Witness's Signature

Witness's Name: Tse Wah Ting, Wendy (謝華婷)

Witness's Address: 23/F, Pioneer Centre, 750 Nathan Road,

Kowloon, Hong Kong

SIGNED by
Or Wai Sheun (柯為湘)
for and on behalf of
POLYTEC HOLDINGS INTERNATIONAL
LIMITED (保利達控股國際有限公司)

in the presence of:

)
)
) *For and on behalf of*
) **POLYTEC HOLDINGS INTERNATIONAL LIMITED**
) **保利達控股國際有限公司**
)
)
) 
)
) *Authorized Signature(s)*

Director/Authorised Signatory

Wendy Tse

Witness's Signature

Witness's Name: Tse Wah Ting, Wendy (謝華婷)

Witness's Address: 23/F, Pioneer Centre, 750 Nathan Road,

Kowloon, Hong Kong

Schedule 1

Details of the Target Group

1. Rideon Limited (威鞍有限公司)

1.	Name:	Rideon Limited (威鞍有限公司)
2.	Company Number:	1746728
3.	Address of Registered Office:	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands
4.	Date and Place of Incorporation:	28 November 2012 British Virgin Islands
5.	Authorised Share Capital:	50,000 shares with par value of US\$1.00 each
6.	Issued Share Capital:	10 shares with par value of US\$1.00 each
7.	Directors:	Or Wai Sheun (柯為湘) Lai Ka Fai (黎家輝) Or Pui Kwan (柯沛鈞) Yeung Kwok Kwong (楊國光)
8.	Shareholder and Number of Shares Held:	Future Star International Limited 10 shares (100%)

2. Parawin Limited (百利榮有限公司)

1.	Name:	Parawin Limited (百利榮有限公司)
2.	Business Registration Number:	39528489
3.	Address of Registered Office:	23/F, Pioneer Centre, 750 Nathan Road, Kowloon, Hong Kong
4.	Date and Place of Incorporation:	9 January 2008 Hong Kong
5.	Authorised Share Capital:	N/A
6.	Issued Share Capital:	HK\$1.00
7.	Directors:	Or Wai Sheun (柯為湘) Lai Ka Fai (黎家輝) Or Pui Kwan (柯沛鈞) Yeung Kwok Kwong (楊國光)
8.	Shareholder and Number of Share Held:	Rideon Limited (威鞍有限公司) 1 share (100%)

3. 瀋陽智信資產管理有限公司

1.	Name:	瀋陽智信資產管理有限公司
2.	Business Licence Number:	91210100313214026F
3.	Address of Registered Office:	中國遼寧法庫經濟開發區
4.	Date and Place of Incorporation:	16 December 2014 PRC
5.	Registered Capital:	RMB100,000,000.00
6.	Legal Representative:	Huang Chang Rong (黃昌榮)
7.	Directors:	Huang Chang Rong (黃昌榮) Chen Yu Lin (陳玉麟) ^ Zhou Li Li, Lily (周莉莉)
8.	Shareholder and Shareholding:	Parawin Limited (百利榮有限公司) 100%
9.	Supervisor:	Chung Suk Ping, Ricky (鍾淑冰)

^ Deceased

4. 上海城昱置業有限公司

1.	Name:	上海城昱置業有限公司
2.	Business Licence Number:	913100005997938512
3.	Address of Registered Office:	中國上海市楊浦區錦西路69號313A5室
4.	Date and Place of Incorporation:	24 July 2012 PRC
5.	Registered Capital:	RMB12,000,000.00
6.	Legal Representative:	Zhou Li Li, Lily (周莉莉)
7.	Directors:	Zhou Li Li, Lily (周莉莉) Chen Yu Lin (陳玉麟)^ Feng Xiaoying (馮曉瑩)
8.	Shareholder and Shareholding:	Parawin Limited (百利榮有限公司) 100%
9.	Supervisor:	Chung Suk Ping, Ricky (鍾淑冰)

^ Deceased

5. The Owner

1.	Name:	上海揚業房地產開發有限公司
2.	Business Licence Number:	91310110748754558R
3.	Address of Registered Office:	中國上海市蘇家屯路29弄4號102室
4.	Date and Place of Incorporation:	27 March 2003 PRC
5.	Registered Capital:	RMB250,000,000.00
6.	Legal Representative:	Zhou Li Li, Lily (周莉莉)
7.	Directors:	Zhou Li Li, Lily (周莉莉) Chen Yu Lin (陳玉麟) ^ Feng Xiaoying (馮曉瑩)
8.	Shareholder and Shareholding:	瀋陽智信資產管理有限公司 100%
9.	Supervisor:	Chung Suk Ping, Ricky (鍾淑冰)

^ Deceased

6. Information of the Land

Holder	Location	Lot Number	Usage	Site Area	Expiry Date
The Owner	14/8 Qiu, 176 Jiefang, Siping Road, Yangpu District, Shanghai, China (中國上海市楊浦區四平街道176街坊14/8丘)	3101100050 05GB00061 W00000000	Residential, commercial and office (商住辦)	21,278.60 square metre	29 June 2091 (residential: 70 years; office: 50 years; commercial: 40 years)

Schedule 2

Details of the Sale Loan

Name of Lender	Name of Borrower	Total Amount Due as at 31 December 2023 (HK\$)	60% of Amount Due (being the Amount of Sale Loan)	Interest
The Vendor	The Target Company	1,606,223,000	963,734,000	Interest-free

Schedule 3

Warranties

1. Capacity of the Vendor

- 1.1 The Vendor is duly incorporated and is validly existing under the laws of its place of incorporation and has the full capacity, power and authority to execute, deliver, enter into and perform its obligations under this Agreement and the other documents to be executed and delivered by it hereunder.
- 1.2 This Agreement constitutes and the other documents to be executed and delivered by the Vendor hereunder shall, when executed, constitute, legal, valid and binding obligations of the Vendor enforceable in accordance with their respective terms.
- 1.3 All approvals, consents, authorisations and procedures for the Vendor to execute and perform this Agreement and the other documents to be executed and delivered by the Vendor hereunder have been validly obtained and are unconditional and in full force and none of them have been revoked or withdrawn or amended in any manner or as to any part thereof.
- 1.4 The execution and delivery of, and the performance by the Vendor of the Vendor's obligations under this Agreement and the other documents to be executed and delivered by the Vendor hereunder shall not:
 - (a) result in a breach of any provision of the memorandum and articles of association or bye-laws (or equivalent constitutive documents) of the Vendor or any member of the Target Group; or
 - (b) result in a breach or cancellation or termination of any of the terms or conditions of, or constitute a default under, any agreement, commitment or other instrument to which the Vendor or any member of the Target Group is a party or by which the Vendor or any member of the Target Group is bound or affected; or
 - (c) result in a breach of or violate any law, rule or regulation or any order, writ, injunction, judgement or decree of any administrative agency, governmental or regulatory body or court to which the Vendor or any member of the Target Group is a party or by which the Vendor or any member of the Target Group is bound or affected; or
 - (d) require the consent of any other person other than such as already given or waived or to be given or waived on Completion,

that would adversely affect to a material extent its ability to enter into or perform its obligations under this Agreement and/or any Transaction Documents to which it is a party.

2. Target Group

2.1 Incorporation

Each member of the Target Group is a company duly established and validly existing under the laws of its place of incorporation, with full capacity, power and authority to sue and be sued, to own its assets and to carry on its business as it is presently carried on. All approvals for the establishment of each member of the Target Group were duly obtained and continue to be in full force and effect.

2.2 Details of the Target Company

All of the details shown in Schedule 1 relating to the Target Company are true and accurate in all material respects. Save as disclosed in Schedule 1, the Target Company does not have any interest in the shares or equity capital of any other company, body corporate or undertaking.

2.3 The Sale Shares and the Sale Loan

2.3.1 The Sale Shares have been duly authorised and validly allotted and issued and are fully paid up. The Target Company has not exercised any lien over the Sale Shares and there is no outstanding call on any of the Sale Shares.

2.3.2 The Vendor is the legal and beneficial owner of all the Sale Shares and the Sale Loan, free from all Encumbrances.

2.3.3 The Sale Shares represent 60% of the total issued share capital of the Target Company.

2.4 Insolvency, etc.

2.4.1 No order has been made, petition presented, resolution passed or meeting convened for the winding-up (or other process whereby the business is terminated and the assets of the company concerned are distributed among the creditors and/or shareholders or other contributories) of any member of the Target Group.

2.4.2 No receiver (including an administrative receiver), liquidator, judicial manager, trustee or custodian (or equivalent in the relevant jurisdiction) has been appointed in respect of the whole or any part of any of the property, assets and/or undertaking of any member of the Target Group and no step has been taken for or with a view to the appointment of such a person.

2.4.3 Each member of the Target Group is solvent and able to pay its debts as they fall due.

3. Accuracy of Information

3.1 All information contained in Recitals (A) to (C), Schedule 1 and Schedule 2 to this Agreement remains true and accurate in all material respects.

3.2 All information which has been given by the Vendor or the Target Group in the course of the negotiations leading to this Agreement is true and accurate in all material respects.

4. Accounts and Records

4.1 Audited Accounts

The information given in the Audited Accounts is true and accurate and in all material respects and no information has been omitted therefrom which would render the Audited Accounts misleading in any material respect. In addition, the Audited Accounts:

4.1.1 have been prepared in accordance with applicable law and in accordance with the generally accepted accounting principles in the PRC; and

4.1.2 give a true and fair view of the assets, liabilities and state of affairs of the PRC Subsidiaries as at the Accounts Date and of the profits or losses for the period concerned.

4.2 Accounting and Other Records

- 4.2.1 The statutory books, books of account and other records of whatsoever kind of the Target Group are up-to-date in all material respects and maintained in accordance with all applicable legal requirements on a proper and consistent basis and contain accurate records in all material respects of all matters required to be dealt with in such books.
- 4.2.2 All documents which should have been delivered by the relevant member of the Target Group to the relevant company registries or other equivalent bodies for the administration of corporate or commercial matters have been properly delivered.

5. Property

The particulars of the Land set out in Schedule 1 are true and accurate in all material respects and not misleading in any material respect.

Schedule 4

Purchaser Warranties

1. Capacity of the Purchaser

- 1.1 The Purchaser is duly incorporated and is validly existing under the laws of its place of incorporation and has the full capacity, power and authority to execute, deliver, enter into and perform its obligations under this Agreement and the other documents to be executed and delivered by it hereunder.
- 1.2 This Agreement constitutes and the other documents to be executed and delivered by the Purchaser hereunder shall, when executed, constitute, legal, valid and binding obligations of the Purchaser enforceable in accordance with their respective terms.
- 1.3 All approvals, consents, authorisations and procedures for the Purchaser to execute and perform this Agreement and the other documents to be executed and delivered by the Purchaser hereunder have been validly obtained and are unconditional and in full force and none of them have been revoked or withdrawn or amended in any manner or as to any part thereof.
- 1.4 The execution and delivery of, and the performance by the Purchaser of the Purchaser's obligations under this Agreement and the other documents to be executed and delivered by the Purchaser hereunder shall not:
 - (a) result in a breach of any provision of the memorandum and articles of association or bye-laws (or equivalent constitutive documents) of the Purchaser; or
 - (b) result in a breach or cancellation or termination of any of the terms or conditions of, or constitute a default under, any agreement, commitment or other instrument to which the Purchaser is a party or by which the Purchaser is bound or affected; or
 - (c) result in a breach of or violate any law, rule or regulation or any order, writ, injunction, judgement or decree of any administrative agency, governmental or regulatory body or court to which the Purchaser is a party or by which the Purchaser is bound or affected; or
 - (d) require the consent of any other person other than such as already given or waived or to be given or waived on Completion.

2. Insolvency, etc.

- 2.1 No order has been made, petition presented, resolution passed or meeting convened for the winding-up (or other process whereby the business is terminated and the assets of the company concerned are distributed among the creditors and/or shareholders or other contributories) of the Purchaser. There are no cases or proceedings under any applicable insolvency, reorganisation or similar laws in any relevant jurisdiction and no events have occurred which, under applicable laws, would justify any such cases or proceedings.
- 2.2 No receiver (including an administrative receiver), liquidator, judicial manager, trustee or custodian (or equivalent in the relevant jurisdiction) has been appointed in respect of the whole or any part of any of the property, assets and/or undertaking of the Purchaser and no step has been taken for or with a view to the appointment of such a person.
- 2.3 The Purchaser is solvent and able to pay its debts as they fall due.

3. Information

- 3.1 None of the directors, officers, employees, agents or financial, accounting or legal advisers of the Purchaser or its Affiliates involved in negotiating the transaction contemplated under this Agreement is aware of any facts, matters or circumstances which could reasonably be expected to give rise to a claim being made against the Purchaser for breach of this Agreement.
- 3.2 To the best knowledge of the Purchaser, the Purchaser is not subject to any order, judgement, direction, investigation or other proceedings by any Governmental Authority which will, or are likely to, prevent or delay the fulfilment of any of the its obligations under this Agreement and any other Transaction Documents to which it is a party.

Schedule 5

Form of the Deed of Assignment

Dated _____ 2024

FUTURE STAR INTERNATIONAL LIMITED

and

POLYTEC HOLDINGS INTERNATIONAL LIMITED
(保利達控股國際有限公司)

and

RIDEON LIMITED
(威鞍有限公司)

DEED OF ASSIGNMENT

5. This Deed is governed by and shall be construed in accordance with the laws of the Hong Kong Special Administrative Region of the People's Republic of China ("**Hong Kong**"). The parties hereby submit to non-exclusive jurisdiction of the courts of Hong Kong in connection herewith.
6. Unless expressly provided to the contrary in this Deed, a person who is not a party has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce or to enjoy the benefit of any term of this Deed. Notwithstanding any term of this Deed, the consent of any person who is not a party is not required to rescind or vary this Deed at any time.

IN WITNESS WHEREOF this Deed has been executed as a deed by the parties hereto and is delivered on the date specified above.

Executed as a deed under seal by)
FUTURE STAR INTERNATIONAL LIMITED)
and signed and delivered as a deed on its behalf by)
_____duly authorised by)
FUTURE STAR INTERNATIONAL LIMITED)

Signature of Witness: _____

Name of Witness: _____

Address of Witness: _____

Occupation of Witness: _____

Executed as a deed under seal by)
POLYTEC HOLDINGS INTERNATIONAL)
LIMITED (保利達控股國際有限公司) and)
signed and delivered as a deed on its behalf by)
_____ duly authorised by)
POLYTEC HOLDINGS INTERNATIONAL)
LIMITED (保利達控股國際有限公司))

Signature of Witness: _____

Name of Witness: _____

Address of Witness: _____

Occupation of Witness: _____

Executed as a deed under seal by)
RIDEON LIMITED (威鞍有限公司))
and signed and delivered as a deed on its behalf by)
_____ duly authorised by)
RIDEON LIMITED (威鞍有限公司))

Signature of Witness: _____

Name of Witness: _____

Address of Witness: _____

Occupation of Witness: _____