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**SHAREHOLDERS DEED**

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DATED 16 December 2021

by

**KLT II HOLDINGS (BVI) L.P.**  
(acting by AGR X Asia Member GP, L.L.C., its general partner)  
Shareholder A

and

**ULTRA ELITE GLOBAL LIMITED**  
Shareholder B

and

**WEALTH KING VENTURES LIMITED**  
JV Company

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## SHAREHOLDERS DEED

This Deed is dated 16 December 2021

### Between

AGR X Asia Member GP, L.L.C. as general partner acting for and on behalf of **KLT II Holdings (BVI) L.P.**, a British Virgin Islands limited partnership whose registered office is at Kingston Chambers, P.O. Box 173, Road Town, Tortola, British Virgin Islands (“**Shareholder A**”);

**Ultra Elite Global Limited**, a company incorporated in the British Virgin Islands whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (“**Shareholder B**”);

and

**Wealth King Ventures Limited**, a company incorporated in the British Virgin Islands whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the “**JV Company**”).

### Recitals

- A. The JV Company is a BVI business company incorporated in the British Virgin Islands on 4 November 2021 and at the date hereof is authorised to issue a maximum of 50,000 shares of USD1.00 each, of which 1 share has been issued and fully paid. In consideration of the Shareholder B’s Warranties given by Shareholder B to Shareholder A, concurrently with the execution of this Deed, Shareholder A subscribes for 1 Shares, representing 50% of the issued shares of the JV Company after the allotment (the “**Subscription**”). Immediately after the execution of this Deed and the Subscription, Shareholder A is the legal holder and beneficial owner of 50% Shareholding, comprising 1 Share and Shareholder B is the legal holder and beneficial owner of 50% Shareholding, comprising 1 Shares. Further details of the JV Company immediately after the execution of this Deed are set out in Part A of Schedule 1.
- B. Vitality Trend Limited (“**Intermediate Holding Company**”) is a BVI business company incorporated in the British Virgin Islands on 20 October 2021 and at the date hereof is authorised to issue a maximum of 50,000 shares of USD1.00 each, of which 1 share has been issued and fully paid. The JV Company is the legal holder and beneficial owner of 100% of the issued shares of the Intermediate Holding Company. Further details of the Intermediate Holding Company as of the date hereof are set out in Part B of Schedule 1.
- C. Trillion Wisdom Limited 兆惠有限公司 (the “**Project Company**”) is a private limited company incorporated in Hong Kong on 1 November 2021 and at the date hereof has an issued share capital of HKD1 represented by 1 ordinary share. The Intermediate Holding Company is the legal holder and beneficial owner of 100% of the issued share of the Project Company.
- D. The Project Company intends to enter into a sale and purchase agreement (the “**Sale and Purchase Agreement**”) for the purchase of the Property. Following closing of the Sale and Purchase Agreement, the Project Company will become the legal and beneficial owner of the Property (defined below). Further details of the Project Company as of the date hereof are set out in Part C of Schedule 1.
- E. The shareholding structure of the JV Company, the Intermediate Holding Company and the Project Company immediately after the execution of this Deed and ownership structure of the Property following closing of the Sale and Purchase Agreement are set out in Part D of Schedule 1, and the particulars of the Property are set out in Schedule 2.

- F. Each of the Parties enters into this Deed in consideration of each of the other Parties entering into this Deed and accepting the terms, undertakings and covenants contained herein.

## 1. Definitions and Interpretation

- 1.1 In this Deed and the Recitals, where the context so admits, the following words and expressions shall have the following meanings:

“**A Director**” means a Director appointed by Shareholder A pursuant to Clause 3.1.

“**Acceptable Valuation Agents**” shall mean Jones Lang LaSalle, Cushman & Wakefield, Colliers, Knight Frank, Savills and CBRE or any other professional real estate valuation agents as agreed in writing by both Shareholder A and Shareholder B from time to time.

“**Adjudicator**” means the then auditors of the Project Company.

“**Affiliate**” means, in respect of a person, any other person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with that person, provided that none of the JV Company, the Intermediate Holding Company and the other Group Companies (if any) shall be considered as an Affiliate of any Shareholder. For the purposes of this Deed, any investment fund managed by Angelo, Gordon & Co. L.P. (a Delaware limited partnership) shall also be considered to be an Affiliate of Shareholder A. For the purposes of this Deed, any company directly or indirectly Controlled by Million Hope Listco, CCM Trust (Cayman) Limited and/or LBJ Regents Limited shall be considered to be an Affiliate of Shareholder B.

“**Agreed Accounting Policies**” means the generally accepted accountancy principles and practice in Hong Kong.

“**Agreed Professional Agents**” shall mean Jones Lang LaSalle, DTZ, Colliers, Knight Frank, Savills and CBRE or any other professional real estate agents as agreed in writing by both Shareholder A and Shareholder B from time to time.

“**Agreed Terms**” has the meaning ascribed to it under Clause 22.2.

“**Articles**” means the memorandum and articles of association of the JV Company.

“**Available Cash**” means, for a particular financial year, cash paid to or in the possession of, a Group Company from whatever source (including, without limitation, all dividends, fees, repayment of shareholder loan, repatriation of registered capital and tax refund that may be lawfully received from its Subsidiaries) after deducting therefrom:

- (a) all funds necessary to pay for the currently payable expenses incurred in connection with the normal operations of the Group Company;
- (b) the payment of all currently payable debt service, reserve and escrow amounts for all outstanding loans when and as they become due and payable and/or are required to be reserved or escrowed;
- (c) the payment of all other currently payable obligations of the Group Company to third parties, including, without limitation, obligations in connection with the Group Company’s assets;
- (d) all funds required (in the reasonable judgment of its directors) to be allocated to make up losses from previous years (if any);
- (e) all taxes projected (in the reasonable judgment of its directors) to be payable by the Group Company and its Subsidiaries, if any, for that financial year;

- (f) an amount from the available cash of the Group Company for that financial year to be allocated (in the reasonable judgment of its directors) to the Working Capital Reserve of the Group Company; and
- (g) the provision for defects, maintenance charges and other charges.

“**B Director**” means a Director appointed by Shareholder B pursuant to Clause 3.1.

“**Bank Facilities**” means any facilities which may from time to time be made available by a bank or financial institution to any Group Company(ies) in respect of the Project as contemplated by Clause 5.6(a).

“**Board**” means the board of directors of the JV Company or the Directors present (personally or by their alternates) at any meeting of the Directors duly convened and held (as the case may be).

“**Business**” has the meaning ascribed to it under Clause 2.1.

“**Business Days**” means a day (except Saturday) on which banks are open for business in Hong Kong.

“**Business Plan**” means the Group’s first business plan prepared and approved in accordance with Clause 12.2 and at any subsequent date the most recent business plan of the Group approved by the Shareholders in writing.

“**Chairman**” has the meaning ascribed to it under Clause 3.7.

“**Co-investment Invite**” has the meaning ascribed to it under Clause 14.3.

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

“**company**” means any company or body corporate wherever incorporated.

“**Complete Disposal**” has the meaning ascribed to it under Clause 7.3(a).

“**Complete Disposal Notice**” has the meaning ascribed to it under Clause 7.3(a).

“**Complete Disposal Tender**” has the meaning ascribed to it under Clause 7.4.

“**Completion**” means the development of the Property attaining practical completion in accordance with the relevant construction contracts as evidenced by the issuance of an Occupation Permit by the Buildings Department of Hong Kong, and “**Completed**” shall be construed accordingly.

“**Complying Shareholder**” has the meaning ascribed to it under Clause 5.11.

“**Contracting Shareholder**” has the meaning ascribed to it under Clause 4.4(h).

“**Control**”, “**Controlled by**”, “**controller**”, “**the controlled person**” and “**Change in Control**” shall be interpreted as follows:

- (a) a person or persons (each a “**controller**”) shall be deemed to have “**Control**” of another person (the “**controlled person**”) if one or more of the controllers, whether by law or in fact has, or is entitled to acquire, the right or the power to secure whether directly or indirectly, that the controlled person’s affairs are conducted in accordance with the wishes of the controller and in particular, but without prejudice to the generality of the foregoing, if one or more of the controllers holds directly or indirectly:

- (i) the greater part of the issued shares or share capital of the controlled person or of the voting rights attaching to the controlled person's shares; or
- (ii) the power to control the composition of any board of directors or governing body of the controlled person,

and "**Controlled by**" shall have a corresponding meaning, and a "**Change in Control**" shall be deemed to have occurred only if the controller (for the case of Shareholder A) or joint controllers (for the case of Shareholder B) having previously directly or indirectly Controlled the controlled person ceases to do so, or if any person who is not Controlled by the controller (for the case of Shareholder A) or joint controllers (for the case of Shareholder B) acquires Control of the controlled person.

- (b) For the purposes of this Deed, Angelo, Gordon & Co. L.P. (a Delaware limited partnership) shall be regarded as the controller of Shareholder A, and Shareholder A shall be regarded as the controlled person.

"**Deadlock**" has the meaning ascribed to it under Clause 7.1.

"**Deed of Adherence**" means a deed in the form attached as Schedule 3 pursuant to which a transferee or allottee of Shares agrees to be bound by all the terms of this Deed as if it had been a signatory.

"**Default Refinancing Payment**" has the meaning ascribed to it under Clause 5.14(a).

"**Default Transfer Notice**" has the meaning ascribed to it under Clause 8.2.

"**Defaulting Loan**" has the meaning ascribed to it under Clause 5.11.

"**Defaulting Shareholder**" has the meaning ascribed to it under Clause 5.11.

"**Director**" means any director of the JV Company from time to time.

"**Distribution(s)**" means all Available Cash to be distributed from the JV Company to the Shareholders in accordance with its Equity Ratio by way of dividends, repayment of Shareholder Loans or other lawful means pursuant to this Deed.

"**Drag Along Completion Date**" has the meaning ascribed to it under Clause 6.10(i)(c).

"**Drag Along Notice**" has the meaning ascribed to it under Clause 6.10(i).

"**Drag Along Option**" has the meaning ascribed to it under Clause 6.9.

"**Drag Along Shares**" has the meaning ascribed to it under Clause 6.10(i)(a).

"**Equity Ratio**" means in relation to a Shareholder, a fraction, the numerator of which is the total number of issued and paid up Shares held by that Shareholder at the time in question (excluding any premium paid on subscription) and the denominator of which is the total number of issued and paid up Shares in issue at that time.

"**Event of Default**" has the meaning ascribed to it under Clause 8.1.

"**Expiration Date**" has the meaning ascribed to it under Clause 6.8.

"**Fair Market Price**" shall be as described and determined pursuant to the provisions of Clauses 8.4 through 8.6.

"**Financing Bank**" means, at any given time, a bank or financial institution which makes available any Bank Facilities (in respect of which such bank's or financial institution's

commitment has not been cancelled, prepaid or repaid in full at the relevant time) to any Group Company(ies).

“**FMV Period**” has the meaning ascribed to it under Clause 8.5.

“**Group**” means collectively, the JV Company, the Intermediate Holding Company, the Project Company and their respective Subsidiaries (if any) from time to time, and “**Group Company**” means any member of the Group.

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

“**HKIAC**” means Hong Kong International Arbitration Centre.

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

“**information**” has the meaning ascribed to it under Clause 15.2.

“**In-scope Project**” has the meaning ascribed to it under Clause 14.1.

“**Insolvency Proceedings**” means any corporate action, legal proceeding or other procedure or step taken in relation to: (a) the suspension of payments, a moratorium of any indebtedness, winding-up, dissolution, administration or reorganisation (by way of voluntary arrangement, scheme of arrangement or otherwise) of any borrower or guarantor under any loan agreement relating to a facility entered into in connection with the Project (including any shareholders or directors or similar officers meeting by the relevant borrower or guarantor in relation to the same); (b) a composition, compromise, assignment or arrangement with any creditor of any such borrower or guarantor; (c) the appointment of a liquidator, trustee in bankruptcy, judicial custodian, receiver, administrative receiver, administrator, compulsory manager or other similar officer in respect of any such borrower or guarantor of any of its assets (including any request for appointment or notice of intention to appoint); or (d) enforcement of any security over assets of any such borrower or guarantor, or any analogous procedure or step taken in any jurisdiction, but save for any winding-up petition which is frivolous or vexatious and is discharged, stayed or dismissed within thirty (30) days of commencement.

“**Interest Rate**” means 7% per annum.

“**JV Bank Accounts**” has the meaning ascribed to it under Clause 5.1.

“**Listing Rules**” means the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (as amended from time to time).

“**Major Decision**” has the meaning ascribed to it under Clause 4.2, and “**Major Decisions**” shall be construed accordingly.

“**Marketing Agent(s)**” has the meaning ascribed to it under Clause 7.3(b).

“**Million Hope Listco**” means Million Hope Industries Holdings Limited 美亨實業控股有限公司, a company incorporated under the laws of the Cayman Islands the shares of which are listed on the Main Board of The Stock Exchange of Hong Kong Limited (stock code 1897).

“**Million Hope Sponsor**” means Million Hope Industries (BVI) Limited, a BVI business company incorporated under the laws of British Virgin Islands with BVI company no. 1970895.



“**Net Asset Value**” means fair value of the Group *minus* unpaid debt of the Group (excluding all outstanding Shareholder Loans (if any)) *minus* unpaid taxes of the Group *minus* provision for defects, maintenance charges and other charges of the Group.

“**Non-Completion Losses**” has the meaning ascribed to it under Clause 5.11.

“**Non-Defaulting Shareholder**” has the meaning ascribed to it under Clause 8.1.

“**Parties**” means the parties to this Deed and “**Party**” means any one of them including any other person who becomes a member of the JV Company and who agrees to be bound by the provisions of this Deed by executing a Deed of Adherence.

“**PC Bank Account**” has the meaning ascribed to it under Clause 5.2.

“**Permitted Transferee**” has the meaning ascribed to it under Clause 6.3.

“**Project**” means:

- (a) the acquisition of the Property;
- (b) the design, demolition, development, redevelopment, construction, re-construction, improvement, holding (where applicable), leasing (where applicable and in any event as approved by the Board), sales, marketing, management, operation, maintenance and disposition of the Property or any part(s) thereof;
- (c) subject to Clause 4.2, the financing and refinancing relating to any of the above; and
- (d) all other activities relating or incidental to any of the above;

“**Project Committee**” has the meaning ascribed to it under Clause 2.2(a).

“**Project Company**” has the meaning ascribed to it under Recital C.

“**Project Management Major Decision**” means such acts, matters and/or things set out in Schedule 7.

“**Property**” means the property, the particulars of which are set out in Schedule 2.

“**Proportional Loss of Forfeited Deposit**” has the meaning ascribed to it under Clause 5.11A.

“**Prospective Purchaser**” has the meaning ascribed to it under Clause 6.8.

“**Sale and Purchase Agreement**” has the meaning ascribed to it under Recital D.

“**Shares**” means the issued shares of the JV Company from time to time, and “**Shareholding**” shall be construed accordingly.

“**Shareholder**” means a registered holder of the Shares from time to time.

“**Shareholder A Offer Notice**” has the meaning ascribed to it under Clause 6.7.

“**Shareholder B Offer Notice**” has the meaning ascribed to it under Clause 6.6A.

“**Shareholder B’s Warranties**” has the meaning ascribed to it under Clause 10A.1 and

“**Shareholder B’s Warranty**” means any one of Shareholder B’s Warranties.

“**Shareholder in Breach**” has the meaning ascribed to it under Clause 8.1.

“**Shareholder Loan Agreement**” has the meaning ascribed to it under Clause 5.9(c).

“**Shareholder Loans**” means any loan, loan capital, borrowings or indebtedness in the nature of borrowings provided to the JV Company by a Shareholder under Clauses 5.4, 5.5, 5.8 and 5.11(c).

“**Shareholder’s Interests**” means the Shares from time to time owned by a Shareholder together with the Shareholder Loan owed by the JV Company to the Shareholder at that time.

“**Shortfall Loan**” has the meaning ascribed to it under Clause 5.11(a).

“**Shortfall Loan Fee**” has the meaning ascribed to it under Clause 5.11(b).

“**SPA Funding Default**” has the meaning ascribed to it under Clause 5.11A.

“**Subscription**” has the meaning attributed to under Recital A.

“**Subsidiary**” has the meaning attributed to it in the Companies Ordinance.

“**Tag Along Acceptance Notice**” has the meaning ascribed to it under Clause 6.17.

“**Tag Along Offer**” has the meaning ascribed to it under Clause 6.16.

“**Tag Along Price**” has the meaning ascribed to it under Clause 6.16(a).

“**Tender Sale Reference Date**” has the meaning ascribed to it under Clause 7.4.

“**Top Management Discussion**” has the meaning ascribed to it under Clause 7.2.

“**Total Construction Cost**” means the total construction cost of the Project as approved by the Project Committee from time to time.

“**Total Shareholder’s Interests**” means the aggregate of all the Shares from time to time owned by the Shareholders of the JV Company together with the Shareholder Loans owed by the JV Company to the Shareholders at that relevant point in time.

“**Transferring Shareholder**” has the meaning ascribed to it under Clause 6.3.

“**U.S. Tax Matters Shareholder**” has the meaning ascribed to it under Clause 21.1.

“**USD**” means United States dollars, the lawful currency of the United States of America.

“**Working Capital Reserve**” means the minimum amount of reserve to be retained by a Group Company, which its directors considers necessary, for meeting working capital, budgeted capital investment requirements and other applicable statutory requirements after duly considering the situation of the Business at the relevant point in time.

- 1.2 Save where the context otherwise requires, words and phrases the definitions of which are contained or referred to in the Companies Ordinance shall be construed as having the meaning thereby attributed to them.
- 1.3 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 hereof) 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.
- 1.4 References to any document (including this Deed) are references to that document as amended, consolidated, supplemented, novated or replaced from time to time.

- 1.5 References in this Deed to Recitals, Clauses, paragraphs and Schedules are to clauses and paragraphs in and recitals and schedules to this Deed (unless the context otherwise requires). The Recitals and Schedules to this Deed shall be deemed to form part of this Deed.
- 1.6 Headings are inserted for convenience only and shall not affect the construction of this Deed.
- 1.7 References to “**Shareholder A**”, “**Shareholder B**”, the “**JV Company**”, the “**Intermediate Holding Company**”, the “**Project Company**” and “**Group Company**” include their respective successors and permitted assigns.
- 1.8 References to persons shall include any individual, any form of body corporate, unincorporated association, firm, partnership, joint venture, consortium, association, organisation or trust (in each case whether or not having a separate legal personality).
- 1.9 The masculine gender shall include the feminine and neuter and vice versa, and the singular number shall include the plural and vice versa.
- 1.10 References to times of the day are to that time in Hong Kong and references to a day are to a period of 24 hours running from midnight to midnight.
- 1.11 If a period of days is from, after or before a given day or the day on which an act or event takes place, such given day or the day on which the act or event takes place shall be exclusive in the computation of days, unless otherwise specified.
- 1.12 Where under this Deed 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 will be done on the immediately succeeding Business Day, unless otherwise specified.

## **2. The Business**

- 2.1 The sole business of the Group shall be to hold and carry out the Project, which is of a revenue nature in the ordinary and usual course of business of Million Hope Listco within the meaning of the Listing Rules, for profits (the “**Business**”). The Shareholders agree that the Group shall conduct the Business in the best interests of the Group and on sound commercial principles.

### **2.2 Project Committee**

- (a) Upon the signing of this Deed, each of the Parties shall forthwith exercise all rights and powers available to it to procure and/or ensure that:
- (i) the Board shall form a project management and marketing committee (the “**Project Committee**”) to supervise, give instructions and handle certain decisions (including the Project Management Major Decisions) in relation to the development and management of the Project and its marketing; and
  - (ii) without prejudice to Clauses 4.2 and 4.4, the Project Management Major Decisions shall be unanimously agreed by all members of the Project Committee.
- (b) The maximum number of members of the Project Committee shall be four (4). Shareholder A shall be entitled but not obliged to appoint, by notice in writing to Shareholder B, a maximum of two (2) members to the Project Committee and Shareholder B shall be entitled but not obliged to appoint, by notice in writing to Shareholder A, two (2) members to the Project Committee.
- (c) Each of Shareholder A and Shareholder B shall have the exclusive right to require the removal or replacement of a member of the Project Committee appointed by it at any time by written notice to the other Shareholder.

2.3 Shareholder A and Shareholder B acknowledge and agree that the Project Company will, subject to any approvals required under this Deed, be engaging third party services providers in a timely manner to provide certain development and management services to the Project Company for the Project. Shareholder B shall be solely responsible and take all necessary steps to ensure any such engagement complies with any applicable Hong Kong laws and/or Listing Rules requirement and that there will no legal validity and enforceability issues in connection with such engagement due to legal compliance issues with respect to applicable Hong Kong laws and/or Listing Rules.

### 3. Directors

3.1 The maximum number of Directors shall be four (4), with Shareholder A being entitled to appoint two (2) Directors and Shareholder B being entitled to appoint two (2) Directors. In the event that the Shareholders' equity interest in the JV Company varies after the date of this Deed, the Shareholders shall agree in good faith the new composition of the Board based on the principle that the composition of the Board should reflect the Equity Ratio of the Shareholders in the JV Company.

3.2 Each Shareholder may appoint or remove its own Director by depositing written notice at the JV Company's registered office together with a duly executed resignation letter under seal of the Director to be removed or replaced, acknowledging that the Director has no claim or whatsoever against the JV Company for compensation for loss of office or otherwise and by sending a copy of the same to the other Shareholder.

3.3 In the event that any Shareholder disposes of, assigns or otherwise transfers its Shares, such Shareholder shall procure the resignation of such number of Directors appointed by it in accordance with its Equity Ratio and forthwith procure the Directors appointed by it to tender a resignation letter to the JV Company duly executed under seal, to resign from his office and acknowledging that the Director has no claim or whatsoever against the JV Company for compensation for loss of office or otherwise.

3.4 Any Shareholder removing its own Director in accordance with this Clause and the relevant provisions of the Articles shall be responsible for and shall hold harmless the other Shareholder and the JV Company from and against any claim for damages, loss of office, wrongful dismissal or otherwise arising out of such removal and any reasonable costs and expenses incurred in defending such proceedings.

3.5 The Board shall meet in Hong Kong as required in accordance with the Articles. At each meeting of the Board and in respect of each resolution proposed to the Board, each Director shall have one (1) vote. Subject to Clauses 3.11, 4.2 and 4.4, all resolutions of the Board shall be passed by simple majority vote.

3.6 Unless waived by all the Directors, not less than seven (7) days' notice of meetings of the Board shall be given to each Director and shall be accompanied by an agenda of the business to be transacted at such meeting together with all papers to be circulated or presented to the same. Within ten (10) days after each such meeting, a copy of the minutes of that meeting shall be delivered to each Director.

3.7 The right to appoint the chairman of the Board (the "**Chairman**") shall vest in Shareholder A and Shareholder B in alternate Years. The right to appoint the Chairman shall vest in Shareholder A in the first Year. For the purpose of this Deed, a "Year" means a period of time:

- (a) starting on the date of this Deed or (as the case may be) an anniversary of the date of this Deed; and

- (b) ending on the date immediately before the following anniversary of the date of this Deed.
- 3.8 In the Years that Shareholder A is entitled to appoint the Chairman, such Chairman shall be appointed from one of the A Directors. In the Years that Shareholder B is entitled to appoint the Chairman, such Chairman shall be appointed from one of the B Directors. The right to appoint the Chairman includes the right to determine the period for which the appointee will hold office as Chairman during the relevant Year and the right to remove and replace the appointee at any time during the relevant Year. All rights mentioned in this Clause shall be exercised by notice in writing to the JV Company and the other Shareholder. A Shareholder with the right to appoint the Chairman shall forthwith remove or procure the resignation of the Chairman appointed by it when it ceases to be entitled to appoint the Chairman. The Chairman shall only have one vote of his own as a Director and shall not have additional voting right. In the case of an equality of votes at any meeting of the Board or of the Shareholders, the Chairman shall not be entitled to a second or casting vote.
- 3.9 No meeting of the Board may proceed to business nor transact any business unless a quorum is present at the start of and throughout such meeting. A quorum of the Board shall be any two (2) Directors, comprising of at least one (1) A Director and one (1) B Director, present in person or represented by an alternate. In the event that a quorum of the Directors is not so present at the start of a duly convened Board meeting, that meeting shall be adjourned to the same time and place on the same day in the next week and a quorum at such adjourned meeting shall consist of any two (2) Directors present in person or represented by an alternate, provided that three (3) days' notice of the meeting has been given to all the Directors or (where appropriate) their alternates. Directors may participate in a meeting by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and such participation shall constitute presence in person.
- 3.10 Each Director may in accordance with and subject to the Articles, appoint an alternate to represent him at meetings of the Board which he is unable to attend. Such alternate shall be entitled to attend and vote at meetings of the Board and to be counted in determining whether a quorum is present. Each alternate director shall have one (1) vote for every Director whom he represents in addition to any vote of his own.
- 3.11 Subject to Clause 4.2, a resolution of the Board shall be validly passed if the text of the resolution has been signed by a majority of the Board in accordance with the Articles. Such resolution shall be sent to each Director and shall require a response within a period specified in the notice of such resolution, and no resolution shall take effect until the expiry of such period unless a majority of the Board has waived this requirement.
- 3.12 The remuneration (if any) of the Directors shall be determined by, and subject to the unanimous approval of, the Shareholders.
- 3.13 The provisions of Clauses 3.1 to 3.12 shall apply *mutatis mutandis* in respect of each of the Intermediate Holding Company, the Project Company and any other Group Company. For the avoidance of doubt the Directors appointed by the Shareholders for the JV Company does not have to be the same as the directors appointed by the Shareholders for the Project Company.
- 3.14 Each Party shall procure the director(s) of each Group Company as nominated by each of them to comply with and exercise its rights as director of each Group Company in the manner set out in this Deed.

#### **4. Management of the Group**

- 4.1 The Board shall, subject to the provisions of Clauses 4.2 and 4.4, be responsible for making decisions relating to the Business and all other matters of the JV Company, and by exercising

all rights and powers available to it, any other business of each of the Intermediate Holding Company, the Project Company and any other Group Company. All matters to be approved by the Board, other than those specified in Clause 4.4 and except as otherwise provided in this Deed, shall be decided by a simple majority vote of the Board present and voting.

- 4.2 Subject to Clause 4.3, each of the Shareholders shall exercise all rights and powers available to it to procure and/or ensure that no action may be taken or resolution may be passed by any Group Company, in respect of any of the acts, matters or things specified in Clause 4.4 (each a “**Major Decision**” and together the “**Major Decisions**”) except with the prior approval of either:
- (a) in respect of those Major Decisions needed to be approved at shareholders’ level for each of the JV Company, the Intermediate Holding Company, the Project Company or any other Group Company under the laws of the British Virgin Islands or Hong Kong, both Shareholder A and Shareholder B in writing or both Shareholder A and Shareholder B in a general meeting of the JV Company which will (where applicable) then procure the shareholder of the relevant Group Company (through its direct or indirect control over the voting right in a general meeting of such shareholder) to carry out the Major Decision as approved under this Clause 4.2(a); or
  - (b) in respect of those Major Decisions needed to be approved at the level of the Board or the board of each of the Intermediate Holding Company, the Project Company or any other Group Company (as the case may be), either:
    - (i) all of the Directors or all of the directors of the board of each of the Intermediate Holding Company, the Project Company or the relevant Group Company (as the case may be) in writing; or
    - (ii) all of the Directors at a Board meeting (which shall, in any event, include at least one (1) A Director and one (1) B Director) or all of the directors at a board meeting of each of the Intermediate Holding Company, the Project Company or the relevant Group Company (which shall, in any event, include at least one (1) director appointed by Shareholder A and one (1) director appointed by Shareholder B), as the case may be.
- 4.3 As a separate obligation, severable from Clause 4.2, insofar as it is legally able to do so, the JV Company shall not, and shall procure each of the Intermediate Holding Company, the Project Company and any other Group Company not to, without the prior written consent of both Shareholder A and Shareholder B or the approval of the Shareholders or Directors or the directors of the board of each of the Intermediate Holding Company, the Project Company or the relevant Group Company (as the case may be) as set out in Clause 4.2, do or effect, or agree in writing to do or effect, any of the matters set out in Clause 4.4.
- 4.4 Notwithstanding Clause 2.2(a), each act, matter or thing that is a Major Decision must be approved by the Directors or the directors of the board of each of the Intermediate Holding Company, the Project Company or the relevant Group Company (as the case may be) in accordance with this Clause 4 unless such act, matter or thing shall be approved at the shareholders’ level by the shareholders under the laws of the British Virgin Islands and/or Hong Kong (as the case may be) (in which case, such act, matter or thing are reserved for approval by the Shareholders). The list of Major Decisions is as follows:
- (a) make any increase or decrease in the issued shares, share capital or registered capital (as applicable) or otherwise change the equity structure of any of the Group Companies (it being understood that this sub-clause shall not in any way restrict a Complying Shareholder’s right to subscribe for additional Shares under Clause 5.11);

- (b) place any security interest or mortgage over the Project, the Property or any other assets of any of the Group Companies, other than pursuant to the Bank Facilities;
- (c) make changes to the Articles, or the memorandum and articles of association (or equivalent) of each of the Intermediate Holding Company, the Project Company or any other Group Company or this Deed;
- (d) incur or materially change the terms in or to any debt financing or loan arrangement, including but not limited to, secured and unsecured mortgage financing (permanent, bridge and mezzanine) or other shareholder financing;
- (e) approve a call for any Shareholder Loan not in accordance with this Deed and the Shareholders Loan Agreement, provided that in respect of the making of any call for a Shareholder Loan contemplated under Clause 5.8 necessary for enabling the Project Company to perform, discharge and fulfil its obligations under the Sale and Purchase Agreement and the acquisition of the Property, each Shareholder shall (and shall procure that such Directors nominated by it shall) agree to the making of such call and use all its powers of control to procure that the JV Company makes such call;
- (f) provide any guarantees or other securities;
- (g) make any loan or advance or give any credit;
- (h) enter into or approve changes to (or grant waiver in respect of) any contracts or arrangement or any series of related contracts or arrangements between (i) any Group Company on the one part, and (ii) a Shareholder (or its Affiliate) on the other part (collectively, “**Contracting Shareholder**”) (it being understood that, for the avoidance of conflict of interests, the decision to exercise any rights of the Group Company vis-à-vis the Contracting Shareholder under such contracts shall be solely decided by the other Shareholder and/or the directors appointed to the relevant Group Company by the other Shareholder, but without prejudice to the rights of the Contracting Shareholder to contest the relevant exercise of rights by the relevant Group Company at the competent court or arbitral body);
- (i) approve the Distribution policy (including determining the amount of retained profits kept by the any of the Group Companies and/or the amount of profits distributed) and/or declare or make any dividend or other Distribution in cash or in specie and whether out of revenue profits, capital profits or capital reserve;
- (j) enter into, effect or vary any claim, disclaimer, surrender, election or consent of a material nature for tax purposes;
- (k) factor or assign any of its book debts;
- (l) save for any existing bank accounts of any of the Group Companies (if any) and any bank account(s) required to be opened or maintained pursuant to the Bank Facilities and its related financing documents (if any), open or close any bank account, or establish or change the terms of the mandate of any bank account of any of the Group Companies;
- (m) incur expenditure which deviate from the Business Plan or approved operating budgets;
- (n) acquire or set up any Subsidiary;
- (o) permit the registration of any person as a shareholder (whether by way of subscription or transfer) other than as permitted by this Deed;
- (p) enter into any partnership or profit sharing agreement or joint venture with any person;

- (q) enter into any merger, amalgamation, divestiture or sale of all or substantially all of the assets, or change of organization, of any of the Group Companies;
  - (r) make any composition or arrangement with its creditors, move for insolvency, receivership or administration or do, permit or suffer to be done any act or thing whereby any of the Group Companies may be wound up (whether voluntarily or compulsorily), save as otherwise expressly provided for in this Deed;
  - (s) approve the dissolution or winding-up of any of the Group Companies;
  - (t) make changes to the list of matters under this Clause 4.4;
  - (u) dispose of, assign and/or otherwise transfer all or part of any of the Group Companies or the Property (it being understood that this sub-clause shall not in any way restrict Shareholder B's exercise of its right to dispose of its Shareholder's Interest to any independent third party under Clause 6.6B, Shareholder A's exercise of its right to dispose of its Shareholder's Interest to any independent third party under Clause 6.8, Shareholder A's exercise of its right to dispose of its Shareholder's Interest to Shareholder B under Clause 10, Shareholder A's exercise of its Drag Along Option under Clause 6.9 or the making of the Tag Along Offer by Shareholder A and the acceptance of the Tag Along Offer by Shareholder B under Clauses 6.16 to 6.21 and 6.25 or exercise of the Shareholders' rights under Clause 7.3);
  - (v) subject to Clauses 7.4 and 8, fix the terms (including the price) for the disposal, assignment and/or transfer as referred to in Clauses 4.4(u);
  - (w) approve and revise the Business Plan;
  - (x) approve the appointment of any other Agreed Professional Agents to provide the services in connection with sale of the Units on the Property and determination as other services to be provided by any other Agreed Professional Agents;
  - (y) determine the scope of the Project Management Major Decisions and/or the power/authority granted to the Project Committee;
  - (z) change the nature or scope of business of any Group Company; and
  - (aa) any Group Company entering into any transactions which are not on an arm's length basis.
- 4.5 The Shareholders shall act in good faith to resolve any disagreement between themselves on the Major Decisions as soon as practicable and shall continue to carry on the business of each of the Group Companies in its ordinary course as far as practicable pending resolution of such disagreement.
- 4.6 Without prejudice to any other provisions contained in this Deed, any transaction to be made between (a) any of the Group Companies on the one part and (b) a Shareholder (or its Affiliate) on the other part, shall be conducted on an arm's length basis at competitive rates in line with then current market/industry practice and approved by the Directors.

## 5. Finance

### Bank Accounts

- 5.1 After the date hereof, the JV Company and the Intermediate Holding Company shall each either establish a bank account with, or procure any existing bank account held by the JV Company or the Intermediate Holding Company to have, (collectively, the "**JV Bank Accounts**") with initial authorised signatories to be designated by the Shareholders, and each Shareholder may



appoint no less than 2 signatories each who shall be authorized to sign on behalf of such Shareholder in respect of the JV Bank Accounts.

One (1) member from the authorised signatories of Shareholder A and one (1) member from the authorised signatories of Shareholder B shall sign jointly for the payment or withdrawal from any of the JV Bank Accounts in any amount.

5.2 After the date hereof, the Project Company shall establish a bank account with, or procure any existing bank account held by the Project Company to have, (“**PC Bank Account**”) with the initial authorised signatories to be designated by the Shareholders, and each Shareholder may appoint no less than 2 signatories each who shall be authorized to sign on behalf of such Shareholder in respect of the PC Bank Account.

(i) One (1) member from the authorised signatories of Shareholder A and one (1) member from the authorised signatories of Shareholder B, or (ii) two (2) members from the authorized signatories of Shareholder A, or (iii) two (2) members from the authorized signatories of Shareholder B shall sign jointly for the payment or withdrawal from the PC Bank Account in an amount not exceeding HKD100,000.00.

One (1) member from the authorised signatories of Shareholder A and one (1) member from the authorised signatories of Shareholder B shall sign jointly for the payment or withdrawal from the PC Bank Account in an amount exceeding HKD100,000.00.

5.3 Each of the Group Companies may establish one or more other bank accounts with any banks and/or financial institutions for the purposes of the Business and/or as requested by lender(s) to any member(s) of the Group. Subject to Clauses 5.1 and 5.2, the signatories and operation of all such bank accounts of each of the Group Companies (including any bank accounts required by the Bank Facilities) shall be subject to the approval by all of the Directors or all of the directors of the board of directors of each of the Intermediate Holding Company, the Project Company or the relevant Group Company (as the case may be).

### **Initial Shareholder Loans**

5.4 The Parties confirm and acknowledge that as at the date of this Deed each of Shareholder A and Shareholder B has advanced shareholder loans in the following amount:-

- (a) Shareholder A: HKD9,750,000
- (b) Shareholder B: HKD9,750,000

5.5 The Parties confirm and acknowledge that pursuant to the Shareholder Loan Agreement executed concurrently with this Deed, each of Shareholder A and Shareholder B agree to provide the following funding and undertake to fund on a pro rata basis according to their respective Equity Ratio, by (i) advancing the Shareholder Loans to the JV Company in the amounts stated in the Shareholder Loan Agreement; and (ii) undertake to provide Shareholder Loans to the JV Company, subject to the terms set out in Clause 5.9 and the Shareholder Loan Agreement, to the JV Company.

### **Fund Raising**

5.6 All further capital requirements of the JV Company exceeding the JV Company’s own resources from time to time shall be met:

- (a) first by way of external borrowings or financings to be sought from banks or financial institutions; and
- (b) if it is unable to obtain financing from external lenders, by way of Shareholder Loans as provided in Clause 5.8.

- 5.7 To the extent that any guarantee, security and/or undertaking is required in respect of any borrowings of any of the Group Companies from banks, financial institutions or other third parties:
- (a) they shall be furnished in the first instance by the JV Company; and
  - (b) with regard only to the provision of any guarantee, security and undertakings to banks for banking facilities granted in relation to the Project:
    - (i) Shareholder A has agreed to provide, and to arrange for a designated company of Shareholder A / Angelo Gordon & Co. L.P. to provide, such guarantee (including, without limitation, corporate guarantee), security and undertakings at the material time in proportion to its Equity Ratio in the JV Company; and
    - (ii) Shareholder B has agreed to provide, and to arrange for its parent company Million Hope Sponsor to provide, such guarantee (including, without limitation, corporate guarantee), security and undertakings at the material time in proportion to its Equity Ratio in the JV Company.

The Shareholders shall have no obligation to enter into any joint and several guarantee.

#### **Further Shareholder Loans**

- 5.8 The JV Company may obtain financing to meet additional funding requirements of the JV Company for working capital or other financial support by means of including, but not limited to, Shareholder Loans as provided in the manner set out in Clause 4.4. Upon a call by the Board and/or the Shareholders for a Shareholder Loan in the manner set out in Clause 4.4, each of the Shareholders has the obligation and agrees to advance, on a pro rata basis according to their respective Equity Ratio, such sum as may be required by the JV Company no later than fourteen (14) Business Days from the date of such call. Each Shareholder agrees to timely advance the Shareholder Loan up to such amount as the JV Company may require on a pro rata basis according to their respective Equity Ratio and in accordance with the terms of the Shareholder Loan Agreement.
- 5.9 Subject to the other provisions of this Clause 5 and except otherwise agreed between the Parties in writing, all Shareholder Loans shall be lent to the JV Company on the following terms:
- (a) the Shareholder Loans shall be unsecured and subordinated to any banking facilities granted by banks;
  - (b) no interest will accrue or be payable;
  - (c) unless any applicable law requires otherwise and subject to prior written consent of the banks, if applicable, the Shareholder Loans shall be repaid to the Shareholders under the following circumstances:
    - (i) as soon as practicable and as much as possible whenever there is a positive cash flow after deduction of the Working Capital Reserve and bank loans and interest repayment, unless the Shareholders agree otherwise in writing;
    - (ii) in full as soon as practicable after termination of this Deed in accordance with its terms; and/or
    - (iii) in full as soon as practicable after the commencement of the winding-up of the JV Company;

and, unless otherwise expressly stated in this Deed or the Shareholders unanimously agree otherwise in writing, shall be repaid simultaneously to the Shareholders on a pro rata basis according to their respective Equity Ratio in proportion to the respective outstanding amounts of such Shareholder Loans. A shareholders' loan agreement in the form attached in Schedule 4 ("**Shareholder Loan Agreement**") shall be entered into between the Parties concurrently with the signing of this Deed; and

- (d) each of the Shareholders shall agree to assign their respective rights in their Shareholder Loans or agreements or transaction relating thereto to the banks as required in respect of any borrowings from the banks.

5.10 Save as provided in this Clause 5, no Shareholder undertakes to provide any loan to any of the Group Companies.

#### **Default of Shareholder Loans**

5.11 If a Shareholder (the "**Defaulting Shareholder**") shall fail to advance its portion of the Shareholder Loans by the due date on which such funds should have been advanced (the "**Defaulting Loan**"), then the other Shareholder which has complied with its funding obligations (the "**Complying Shareholder**") shall have the right, but not the obligation, at its sole option, to elect at any time thereafter by giving not less than fifteen (15) days' prior written notice to the Defaulting Shareholder and the JV Company to either:

- (a) in the case where such default by the Defaulting Shareholder occurs prior to the date of Completion, subscribe at a 20% discount to the Net Asset Value for additional Shares in an amount equal to the amount of the portion of the Shareholder Loans which should have been advanced by the Defaulting Shareholder (the "**Shortfall Loan**") and the Defaulting Shareholder shall do all things necessary and execute any such documents required to pass any shareholder and board resolutions necessary for the issued shares of the JV Company to be increased and for such additional Shares to be allotted and issued to the Complying Shareholder to give effect to this Clause, and each Shareholder hereby irrevocably appoints the other Shareholder as its attorney to do all such things necessary and execute any such documents required to give effect to this Clause;
- (b) advance to the JV Company the Shortfall Loan. If the Complying Shareholder advances the Shortfall Loan to the JV Company, the Defaulting Shareholder agrees to pay a fee to the Complying Shareholder, calculated on the Shortfall Loan so advanced by the Complying Shareholder at the Interest Rate from the date of such advance to the date of actual repayment thereof calculated on a daily basis (the "**Shortfall Loan Fee**"); or
- (c) purchase from the Defaulting Shareholder a portion of the Shareholder Loan owed by the JV Company to the Defaulting Shareholder, free and clear of any encumbrances whatsoever, for a purchase consideration which is at a 20% discount to the face value of such portion of the Shareholder Loan. Such discounted purchase consideration shall be equal to the amount of the Shortfall Loan. The Defaulting Shareholder hereby authorises the Complying Shareholder to pay such discounted purchase consideration directly to the JV Company as an additional Shareholder Loan advanced to the JV Company by the Defaulting Shareholder.

5.11A If, as a result of the Defaulting Shareholder failing to satisfy its obligations under Clause 5.8, the Project Company fails to complete the Sale and Purchase Agreement so that the deposits therein or any part thereof have been forfeited ("**SPA Funding Default**"), the Defaulting Shareholder shall indemnify the Complying Shareholder for the amount of the deposits forfeited proportional to the Equity Ratio of the Complying Shareholder ("**Proportional Loss of Forfeited Deposit**"), together with interest calculated thereon at the Interest Rate calculated on a daily basis from the date on which the Proportional Loss of Forfeited Deposit is paid under

the Sale and Purchase Agreement up to and including the date on which the Proportional Loss of Forfeited Deposit outstanding under this Clause 5.11A has been fully paid by the Defaulting Shareholding to the Complying Shareholder. If the Defaulting Shareholder's SPA Funding Default has caused other additional loss to the Complying Shareholder, the Defaulting Shareholder shall indemnify the Complying Shareholder for such other additional loss as and from when such loss is incurred, *mutatis mutandis*. The foregoing indemnification by the Defaulting Shareholder shall be the sole and exclusive remedy for the Complying Shareholder in respect of the Defaulting Shareholder's SPA Funding Default.

- 5.12 All Shortfall Loans advanced from time to time shall be repaid in full (on a pro rata basis if advanced by more than one Shareholder) by the JV Company in priority to the repayment of all Shareholder Loans advanced after the date hereof, which in turn shall be repaid in full (on a pro-rata basis if advanced by more than one Shareholder) in priority to all other Shareholder Loans.
- 5.13 In respect of the repayment of any Shareholder Loan owing to the Defaulting Shareholder from time to time, the JV Company is hereby irrevocably authorised and instructed to apply (and pay on behalf of the Defaulting Shareholder to the Complying Shareholder) all or part of such Shareholder Loan in firstly settling all Shortfall Loan Fee owing by the Defaulting Shareholder to the Complying Shareholder in full before repaying the remaining balance (if any) to the Defaulting Shareholder. For this purpose, the JV Company is hereby authorised by each of the Shareholders and is hereby constituted the attorney of the Defaulting Shareholder for the purpose of executing such documentation as may be required to effect such arrangements. By effecting such payment as aforesaid, the JV Company should be deemed to have repaid all or part of such Shareholder Loan owing to the Defaulting Shareholder although part of which equivalent to the Shortfall Loan Fee (or part thereof) has been repaid to the Complying Shareholder at the request and for and on behalf of the Defaulting Shareholder.
- 5.14 If the Complying Shareholder so makes a Shortfall Loan to the JV Company pursuant to Clause 5.11(b), the Defaulting Shareholder shall:
- (a) refinance the JV Company as soon as practicable by way of a Shareholder Loan with the full amount of the Defaulting Loan (the "**Default Refinancing Payment**"); and
  - (b) at the same time pay to the Complying Shareholder all outstanding Shortfall Loan Fee.

For the avoidance of doubt, the amount of the Shortfall Loan Fee is not and shall not be deemed to be a part of the Shareholder Loan advanced by the Complying Shareholder to the JV Company. Upon receipt of the Default Refinancing Payment, the JV Company shall repay in full the outstanding Shortfall Loan to the Complying Shareholder.

### **Maximum capital commitment**

- 5.15 The total amount of:
- (a) funding which each Shareholder is obliged under this Deed to provide to the JV Company (whether by way of subscription of Shares, provision of initial Shareholder Loan(s) under Clause 5.4 or any other Shareholder Loan(s) or otherwise) in respect of any funding need of any Group Company arising from any payment obligation of the Group Company concerned (whether under applicable laws or other legally binding obligations), inclusive of its Commitment (as defined in the Shareholder Loan Agreement); and
  - (b) such aggregate amount under any and all guarantee(s), security(ies) and undertaking(s) provided by each Shareholder and (where applicable) its Affiliate(s) to banks for banking facilities granted in relation to the Project as contemplated under Clause 5.7(b),

shall not in aggregate exceed a maximum of HKD172,400,000 (for each of Shareholder A and Shareholder B), which, in each case, for the avoidance of doubt, shall be exclusive of any Shortfall Loan advanced by the Complying Shareholder or any Shortfall Loan Fee payable by the Defaulting Shareholder.

## **6. Transfer of Shareholder's Interests**

6.1 Save as provided in this Deed, no Shareholders shall dispose of, assign and/or otherwise transfer any of its Shareholder's Interests unless prior written consent from the other Shareholder has been obtained or carried out in full compliance with the requirements contained in Clause 6. Any disposal, assignment or transfer of any Shares or Shareholder Loan by any Shareholder not made in conformity with this Deed shall be null and void and shall not be recorded on the books of the JV Company.

6.2 If any Shareholder wishes to dispose of, assign or otherwise transfer its interests in the JV Company, it shall only be allowed to dispose of, assign or transfer all (and not part) of its Shareholder's Interests in accordance with the terms of this Deed.

6.3 Without requiring the prior written approval of the other Shareholder, either Shareholder ("**Transferring Shareholder**") may transfer and assign, with or without consideration, all (but not part only) of its Shareholder's Interests to any of its Affiliates (a "**Permitted Transferee**"), provided that:

- (a) the Permitted Transferee, prior to the completion of the transfer or assignment, shall execute a Deed of Adherence as provided under Clause 6.4;
- (b) the Transferring Shareholder shall procure that the Permitted Transferee shall, immediately prior to it ceasing to be a Permitted Transferee of the Transferring Shareholder, re-transfer such Shares and re-assign such Shareholder Loans back to the Transferring Shareholder (or transfer such Shares and assign such Shareholder Loans to a Permitted Transferee of the Transferring Shareholder);
- (c) to the extent required under any facility documents in respect of the Project or the Group, the Transferring Shareholder and the Permitted Transferee shall obtain such external financiers' prior written consent;
- (d) the Permitted Transferee shall assume all obligations and liabilities of the Transferring Shareholder under any financing document entered into with external financiers in respect of the Project or the Group; and
- (e) for the avoidance of doubt, any costs relating to the above transfer(s) shall be borne by the Transferring Shareholder.

The Transferring Shareholder shall inform the other Shareholder by notice in writing not less than fourteen (14) Business Days that it wishes to so exercise its rights.

6.4 It shall be a condition precedent to the right of any Shareholder to transfer and assign any Shareholder's Interests pursuant to Clause 6 that the transferee or assignee (as the case may be) shall execute a Deed of Adherence under which the transferee or assignee (as the case may be) shall agree to be bound by the obligations of this Deed whereupon that transferee and/or assignee shall become a Shareholder on the date on which its obligations under the Deed of Adherence take effect. Upon the execution of a Deed of Adherence in accordance with this Deed, each Party shall be obliged to any such transferee and/or assignee to perform its obligations under this Deed so far as they remain to be performed.

6.5 Any Shareholder that transfers or assigns the entire legal and beneficial interest in its Shareholder's Interests in accordance with the provisions of this Deed shall be released from

all liabilities and obligations under this Deed with effect from the date of such transfer except for (a) the liability for its antecedent breaches of this Deed; and (b) those obligations under Clause 6.3(b) and those which shall survive after termination of this Deed as specifically provided or by necessary implications hereunder.

- 6.6 Any transferee or assignee that becomes a Shareholder in accordance with the terms of this Deed shall be entitled to all of the benefits of this Deed applicable to the Shareholder from whom its Shareholder's Interests were transferred or assigned as if it was an original party hereto (with only the necessary changes). For the purpose of Clauses 6.7 to 6.21, all references to "Shareholder A" shall include its Affiliates or such fund or entity which become the Shareholder as a result of the transfer and assignment of the Shareholder's Interests from Shareholder A under Clause 6.3, and for the purpose of Clauses 6.6A to 6.6B and Clauses 6.7 to 6.21, all references to "Shareholder B" shall also include its Affiliates which become the Shareholder as a result of the transfer and assignment of the Shareholder's Interests from Shareholder B under Clause 6.3.
- 6.6A Other than any transfer and assignment of Shareholder's Interests pursuant to Clause 6.3 or Clause 8, in the event Shareholder B wishes to transfer and assign all (and not part only) of its Shareholder's Interests, Shareholder B shall grant to Shareholder A first right of offer to purchase all (and not part only) of such Shareholder's Interests of Shareholder B by serving to Shareholder A notice (the "**Shareholder B Offer Notice**") which sets out the terms and conditions of the transfer, including the price per Share to be determined by Shareholder B at its sole discretion which shall not be less than the fair market value of each Share based on the average of the market values of the Property as determined by two Acceptable Valuation Agents as of a date no earlier than 30 days before the date of the Shareholder B Offer Notice (and subject to the customary accounting adjustments for indebtedness and working capital of the Group). The said two Acceptable Valuation Agents shall be selected and appointed by Shareholder B at the reasonable cost of the Project Company. Shareholder A shall have the right, but not an obligation, to purchase all of the Shareholder's Interests held by Shareholder B by serving a written acceptance notice to Shareholder B within twenty-one (21) Business Days from the date of the Shareholder B Offer Notice. Upon service of such acceptance notice, Shareholder A shall then be bound to purchase all of the Shareholder's Interests held by Shareholder B at such terms set out in the Shareholder B Offer Notice where Clauses 6.10 to 6.14 shall apply *mutatis mutandis* (as far as they are applicable). For the avoidance of doubt, Shareholder B's share transfer under Clauses 6.6A and 6.6B shall be subject to satisfaction of all of the following conditions:
- (a) such share transfer shall only take place on or after (i) Completion; or (ii) where the project manager of an Affiliate of any Shareholder, date when the engagement with such project manager expires and ends or is early terminated (other than such early termination arising from default solely caused by the project manager) in accordance with the terms thereof (whichever is earlier);
  - (b) such transfer has been consented to in writing by the Financing Bank (if so required under the Bank Facilities);
  - (c) the transferee shall, on or before the completion of such transfer, satisfy the customary financial and compliance good standing review of Angelo, Gordon & Co. L.P. for joint venture partners, which shall be assessed in a reasonable manner; and
  - (d) where a service provider to the Project is an Affiliate of any Shareholder, any agreements entered into between such service provider and the Group shall, concurrently with the completion of the share transfer, be terminated without any payment of compensation or additional fees to such service provider.

- 6.6B If Shareholder A fails to accept the offer from Shareholder B under the Shareholder B Offer Notice within twenty-one (21) Business Days from the date of the Shareholder B Offer Notice, or Shareholder A having issued to Shareholder B the acceptance notice to exercise its right to purchase all (and not part only) of the Shareholder's Interests held by Shareholder B under Clause 6.6A but subsequently fails either to execute a legally binding agreement with Shareholder B for the purchase or transfer of such Shareholder's Interests and/or complete the purchase or transfer of such Shareholder's Interests within twenty-one (21) Business Days after the date when the acceptance notice as referred to in Clause 6.6A is served by Shareholder A to Shareholder B, Shareholder B shall be entitled to, within nine (9) months after the later of either the expiration date of the period of twenty-one (21) Business Days from the date of the Shareholder B Offer Notice or the expiration date of the period of twenty-one (21) Business Days after the date when the acceptance notice as referred to in Clause 6.6A is served by Shareholder A to Shareholder B (as the case may be), sell or transfer all of the Shareholder's Interests of Shareholder B to any bona fide arm's length purchaser who is an independent third party on such terms which are the same or not less favourable than those set out in the Shareholder B Offer Notice.
- 6.7 Other than any transfer and assignment of Shareholder's Interests pursuant to Clause 6.3 or Clause 8, in the event Shareholder A wishes to transfer and assign all (and not part only) of its Shareholder's Interests, Shareholder A shall grant to Shareholder B a first right of offer to purchase all (and not part only) of such Shareholder's Interests of Shareholder A by serving to Shareholder B a notice ("**Shareholder A Offer Notice**") which sets out the terms and conditions of the transfer, including the price per Share to be determined by Shareholder A at its sole discretion which shall not be less than the fair market value of each Share based on the average of the market values of the Property as determined by two Acceptable Valuation Agents as of a date no earlier than 30 days before the date of Shareholder A Offer Notice (and subject to the customary accounting adjustments for indebtedness and working capital of the Group). The said two Acceptable Valuation Agents shall be selected and appointed by Shareholder A at the reasonable cost of the Project Company. Shareholder B shall have the right, but not an obligation, to purchase all of the Shareholder's Interests held by Shareholder A by serving a written acceptance notice to Shareholder A within twenty-one (21) Business Days from the date of the Shareholder A Offer Notice. Upon service of such acceptance notice, Shareholder B shall then be bound to purchase all of the Shareholder's Interests held by Shareholder A at such terms set out in the Shareholder A Offer Notice where Clauses 6.10 to 6.14 shall apply *mutatis mutandis* (as far as they are applicable).
- 6.8 If Shareholder B fails to accept the offer from Shareholder A under the Shareholder A Offer Notice within the twenty-one (21) Business Days from the date of the Shareholder A Offer Notice, or Shareholder B having issued to Shareholder A the acceptance notice to exercise its right to purchase all (and not part only) of the Shareholder's Interests held by Shareholder A under Clause 6.7 but subsequently fails either to execute a legally binding agreement with Shareholder A for the purchase or transfer of such Shareholder's Interests and/or complete the purchase or transfer of such Shareholder's Interests within twenty-one (21) Business Days after the date when the acceptance notice as referred to in Clause 6.7 is served by Shareholder B to Shareholder A, Shareholder A shall be entitled to, within nine (9) months after the later of either the expiration date of the period of twenty-one (21) Business Days from the date of the Shareholder A Offer Notice or the expiration date of the period of twenty-one (21) Business Days after the date when the acceptance notice as referred to in Clause 6.7 is served by Shareholder B to Shareholder A (as the case may be) (the "**Expiration Date**"), sell or transfer all of the Shareholder's Interests of Shareholder A either on its own (if Tag Along Offer is not accepted under Clauses 6.16 to 6.20) or jointly with the sale or transfer of the Shareholder's Interests of Shareholder B (if the Drag Along Option is exercised by Shareholder A under Clauses 6.9 to 6.14 or the Tag Along Offer is accepted by Shareholder B under Clauses 6.16 to 6.21), to a bona fide arm's length purchaser who is an independent third party (a "**Prospective**

**Purchaser**”) on such terms which are the same or not less favourable than those set out in the Shareholder A Offer Notice. For the avoidance of doubt, Shareholder A’s share transfer under Clauses 6.7 to 6.21 shall be subject to the condition that written consent of the Financing Bank (if so required under the Bank Facilities) has been received.

- 6.9 In the event that a Prospective Purchaser has made a bona fide arm’s length offer to purchase the Total Shareholder’s Interests (directly or indirectly pursuant to the sale of interests in the Project Company, another Group Company or the sale of the Property) within nine (9) months after the Expiration Date in Clause 6.8, Shareholder A shall be entitled to require Shareholder B to sell and transfer to the Prospective Purchaser (or such nominee as the Prospective Purchaser directs), jointly with Shareholder A, all of its Shareholder’s Interests (directly or indirectly pursuant to the sale of interests in the Intermediate Holding Company, the Project Company, another Group Company or the sale of the Property) on terms which are the same or not less favourable than those set out in the Shareholder A Offer Notice in accordance with the provisions of Clauses 6.10 to 6.14 (the “**Drag Along Option**”). For the avoidance of doubt, Shareholder A shall be entitled to exercise the Drag Along Option after the nine (9) months’ period stated in this Clause provided that Shareholder A shall first go through the same process under Clauses 6.7 and 6.8 again.
- 6.10 (i) Shareholder A may exercise the Drag Along Option by giving written notice to Shareholder B to that effect (the “**Drag Along Notice**”) at any time before the transfer of its Shareholder’s Interests to the Prospective Purchaser. The Drag Along Notice shall specify:
- (a) that Shareholder B is required to transfer all (and not part only) of its Shareholder’s Interests (the “**Drag Along Shares**”) to the Prospective Purchaser pursuant to Clauses 6.9 to 6.14;
  - (b) the consideration payable for the Drag Along Shares;
  - (c) the proposed date for completion of the sale of the Shareholder’s Interests of Shareholder A and Shareholder B to the Prospective Purchaser (the “**Drag Along Completion Date**”); and
  - (d) those other terms upon which the Drag Along Shares are to be transferred as required by the Prospective Purchaser and accepted by Shareholder A.
- (ii) Shareholder B shall, at the request of Shareholder A and within ten (10) Business Days following the date of the Drag Along Notice, jointly sign and accept with Shareholder A the offer of the Prospective Purchaser for the sale of the Total Shareholder’s Interests.
- 6.11 Completion of the transfer and assignment of the Shareholder’s Interests (directly or indirectly pursuant to the sale of interests in the Intermediate Holding Company, the Project Company, another Group Company or the sale of the Property) held by each of Shareholder B and Shareholder A shall take place simultaneously. On the Drag Along Completion Date, Shareholder B and Shareholder A must deliver the share certificates of their respective Shares, an executed instrument of transfer of their respective Shares and an executed assignment of their respective Shareholder Loans (together with such other documents as required by the terms of the Prospective Purchaser’s offer). Against Shareholder B’s delivery of such documents, the Prospective Purchaser shall pay Shareholder B the consideration due for the Drag Along Shares pursuant to Clause 6.10(i)(b).
- 6.12 To the extent that Shareholder B has not received the consideration due pursuant to Clause 6.10(i)(b) from the Prospective Purchaser on the Drag Along Completion Date, Shareholder B shall not be bound to complete the transfer of the Drag Along Shares and/or shall be entitled to the return of the instrument of transfer and share certificate for the Drag Along Shares (together



with all other documents delivered by Shareholder B under Clause 6.11), and in which case, Shareholder A shall not complete the transfer or assignment of its Shareholder's Interests to such Prospective Purchaser.

- 6.13 If Shareholder B does not on the Drag Along Completion Date execute and deliver an instrument of transfer in respect of the Drag Along Shares and an assignment of its Shareholder Loan (together with such other documents as required by the terms of the Prospective Purchaser's offer), the defaulting Shareholder B shall be deemed to have irrevocably appointed any person nominated for this purpose by Shareholder A to be its agent and attorney to execute such instrument of transfer, assignment of Shareholder Loan (together with such other documents as required by the terms of the Prospective Purchaser's offer) and all other necessary documents on its behalf, against receipt by the JV Company (on trust for Shareholder B) of the consideration payable for the Drag Along Shares, to deliver such instrument of transfer and assignment of Shareholder Loan (together with such other documents as required by the terms of the Prospective Purchaser's offer) to the Prospective Purchaser (or as it may direct) who will become the new owner of the Drag Along Shares. After the Prospective Purchaser (or its nominee) has been registered as the owner of the Drag Along Shares, the validity of such proceedings shall not be questioned by any person. For the avoidance of any doubt, failure to produce a share certificate shall not impede the registration of the Drag Along Shares under Clause 6.
- 6.14 Nothing in this Clause obliges Shareholder A or Shareholder B when transferring and assigning Shareholder's Interests pursuant to Clauses 6.7 to 6.14 to comply with the tag along provisions in Clauses 6.15 to 6.22.
- 6.15 Clauses 6.16 to 6.22 below shall not apply to any transfer and assignment of Shareholder's Interests pursuant to Clause 6.3, Clauses 6.7 to 6.14, or Clause 8, or with the prior written consent of the other Shareholder.
- 6.16 In the event a Prospective Purchaser has made a bona fide arm's length offer to purchase all of the Shareholder's Interests of Shareholder A (directly or indirectly pursuant to the sale of interests in the Intermediate Holding Company, the Project Company, another Group Company or the sale of the Property) at the price per Share and terms which are the same or not less favourable than those set out in the Shareholder A Offer Notice, within nine (9) months after the Expiration Date in Clause 6.8, and where Shareholder A has not given a Drag Along Notice to Shareholder B and Shareholder A wishes to transfer and assign all of its Shareholder's Interests (directly or indirectly pursuant to the sale of interests in the Project Company, another Group Company or the sale of the Property as directed by Shareholder A) to such Prospective Purchaser, then Shareholder A shall serve a written notice ("**Tag Along Offer**") on Shareholder B and the JV Company specifying:
- (a) the price per Share offered by such Prospective Purchaser for each Share held by Shareholder A (the "**Tag Along Price**");
  - (b) any other material terms of the transfer and assignment of the Tag Along Shares (to the extent that they are known by Shareholder A on the date of the Tag Along Offer); and
  - (c) that Shareholder B may transfer and assign all of its Shareholder's Interests to such Prospective Purchaser if Shareholder B complies with the tag along provisions in Clauses 6.16 to 6.19.
- 6.17 Within fourteen (14) Business Days of service of the Tag Along Offer, Shareholder B may serve a notice in writing on Shareholder A and the JV Company to accept the Tag Along Offer (the "**Tag Along Acceptance Notice**").

- 6.18 If Shareholder B has given a Tag Along Acceptance Notice within the fourteen (14) Business Days period specified in Clause 6.17, Shareholder A shall not transfer and assign its Shareholder's Interests to such Prospective Purchaser unless such Prospective Purchaser also makes an offer to acquire all of the Shareholder's Interests of Shareholder B:
- (a) at the same price per Share as the Tag Along Price which is the same or no less favourable than such price set out in the Shareholder A Offer Notice; and
  - (b) on the terms set out in the Tag Along Offer (as amended by any terms notified in writing by Shareholder A to Shareholder B after the Tag Along Offer) which are the same or no less favourable than those set out in the Shareholder A Offer Notice.
- 6.19 If Shareholder A is unable to procure that such Prospective Purchaser makes the offer referred to in Clause 6.18, Shareholder A shall not be entitled to transfer and assign its Shareholder's Interests to such Prospective Purchaser pursuant to Clauses 6.16 to 6.18, but, for the avoidance of any doubt, shall otherwise not be in breach of this Deed or the Articles.
- 6.20 If Shareholder B has not given a Tag Along Acceptance Notice within the fourteen (14) Business Day period specified in Clause 6.17, then Shareholder A shall be entitled to transfer and assign all of its Shareholder's Interests to such Prospective Purchaser on such terms and conditions set out in the notice served to Shareholder B under Clause 6.16 when the Tag Along Offer is made.
- 6.21 If Shareholder B has given a Tag Along Acceptance Notice within the fourteen (14) Business Day period specified in Clause 6.17, completion of the transfer and assignment of the Shareholder's Interests held by each of Shareholder B and Shareholder A to such Prospective Purchaser as referred to in Clause 6.16 shall take place simultaneously.
- 6.22 In the event of any transfer and assignment of the Shareholder's Interest (directly or indirectly pursuant to the sale of interests in the Intermediate Holding Company, the Project Company, another Group Company or the sale of the Property), the transferring Shareholder shall provide to the other Shareholder reasonable evidence for the corporate good standing of the proposed transferee at least 30 days prior to completion of the proposed transfer, to enable the other Shareholder to review the proposed transferee's capacity to comply with Schedule 5 of this Deed.
- 6.23 Completion of any transfer and assignment of Shareholder's Interest (directly or indirectly pursuant to the sale of interests in the Intermediate Holding Company, the Project Company, another Group Company or the sale of the Property) as a result of the exercise of the Drag Along Option and/or acceptance of the Tag Along Offer shall be subject to compliance with the laws of Hong Kong, the British Virgin Islands and the Listing Rules (as applicable).
- 6.24 No Shareholder shall transfer any Shares without at the same time assigning to the transferee of the Shares a proportion of any amounts owed to it by the JV Company, the Intermediate Holding Company, the Project Company and/or another Group Company (if any) equal to the proportion that the Shares transferred bears to the total number of Shares in which the Shareholder is then beneficially interested.
- 6.25 For the avoidance of doubt, Shareholder A shall also have the right to exercise its Drag Along Option by way of selling to the Prospective Purchaser either the Property or all the equity interests of the Intermediate Holding Company, the Project Company or another Group Company. In either case, Shareholder A and its appointed directors to the JV Company, the Intermediate Holding Company, the Project Company and/or the relevant Group Company shall lead and decide on the detailed transaction terms and process for such sale so long as the rights and obligations of Shareholder A and Shareholder B in connection with such sale (including, but not limited to, the right to receive Distributions on a *pari passu* basis from the JV Company

according to their respective Equity Ratio after completion of such sale) shall be in accordance with this Deed.

For the avoidance of doubt, in connection with Shareholder A's exercise of its Drag Along Option (directly or indirectly pursuant to the sale of interests in the Intermediate Holding Company, the Project Company, another Group Company or the sale of the Property), all contracts between any Group Company (on the one part) and a Contracting Shareholder (on the other part) shall be terminated without any additional compensation on or before closing of transaction pursuant to the Drag Along Option.

## 7. **Deadlock Resolution**

7.1 Without prejudice to the provisions of Clause 6, the following procedures set out in Clause 7 shall apply where the requisite approval(s) required under Clause 4.2 for a Major Decision is/are not granted and a Shareholder has then issued to the other Shareholder a written request for the grant of such approval(s) but the same is/are not granted within thirty (30) days after the date of the aforesaid written request (the "**Deadlock**") provided that the provisions of this Clause 7 may not be invoked by any Shareholder before Completion.

7.2 In the case of a Deadlock, a Shareholder (not being a Defaulting Shareholder or a Shareholder In Breach) may send a written notice to the other Shareholder requiring the Deadlock to be considered and resolved in physical meeting(s) and/or telephone conference(s) between a partner, managing director or an executive appropriately designated by such partner or managing director of funds managed by Angelo, Gordon & Co. L.P. and/or its Affiliates and any one executive director of Million Hope Listco (the "**Top Management Discussion**") within 30 days of the notice. If the Deadlock is resolved in the Top Management Discussion, the Shareholders shall jointly execute a statement setting forth the terms of such resolution and the Shareholders shall exercise the voting rights and other powers of control available to them in relation to the JV Company and each of the other Group Companies to procure that such resolution or disposition is fully and promptly carried into effect.

7.3 If the Deadlock concerned is not resolved as contemplated in the provisions of Clause 7.2, then the following provisions shall apply:

(a) any Shareholder may by notice in writing to the other Shareholder and the JV Company (the "**Complete Disposal Notice**") require that each Shareholder shall take all steps within their respective powers to (including procuring that its appointees on the Board and/or on the board of directors of the other Group Companies to take all necessary steps to) cause the Group Company concerned to enter into and complete any one of the following transactions (each a "**Complete Disposal**") with a third party which is not an Affiliate of either Shareholder at a price and on other terms to be determined reasonably and in good faith by both Shareholders:

(i) sale of all issued share(s) in the relevant Group Company and all amounts owing by such Group Company to its shareholder; or

(ii) sale of the Property or any part thereof or any interest therein; and

(b) after service of a Complete Disposal Notice under Clause 7.3(a), each Shareholder shall take all steps within their respective powers to (including procuring that its appointees on the Board and/or on the board of directors of the Intermediate Holding Company, the Project Company or the relevant Group Company shall take all necessary steps to) cause the Group Company concerned to expeditiously engage any one or more of the Agreed Professional Agents to market the subject matter of each Complete Disposal and solicit offers (the engaged Agreed Professional Agent(s) is/are referred to as the "**Marketing Agent(s)**"); and

- (c) where a Shareholder fails to take the steps required by Clause 7.3(b), the other Shareholder shall be entitled to engage any one or more of the Agreed Professional Agents on behalf of the Group Company concerned for the purposes mentioned in this Clause 7.3.

7.4 If no legally binding agreement for a Complete Disposal is entered into by any Group Company on or before the last calendar day of the 9<sup>th</sup> calendar month after (and exclusive of) the calendar month in which the Complete Disposal Notice is given (such last calendar day is referred to as the “**Tender Sale Reference Date**”), each Shareholder shall take all steps within its power to cause the JV Company to solicit, through the Marketing Agent(s), offers for a Complete Disposal referred to in Clause 7.3(a)(i), such offers shall be solicited through a tender process which shall be run and closed within a period of 90 days after (and exclusive of) the Tender Sale Reference Date (such tender process is referred to as the “**Complete Disposal Tender**”). Each Shareholder shall take all steps within its power to cause the JV Company to, and the JV Company shall:

- (a) accept, within a period of 90 days after (and exclusive of) the Tender Sale Reference Date, the highest offer solicited through the Complete Disposal Tender (if only one offer is solicited through the Completed Disposal Tender, such only offer solicited through the Complete Disposal Tender shall be regarded as the highest offer);
- (b) enter into a legally binding agreement in respect of such accepted offer within a further period of 90 days after the acceptance of such offer; and
- (c) subject to any applicable requirement under the Listing Rules (in relation to which the relevant Shareholder which is directly or indirectly Controlled by a company listed on The Stock Exchange of Hong Kong Limited shall use all reasonable endeavours to procure the satisfaction, while the other Shareholder shall use its reasonable endeavours to facilitate that relevant Shareholder at that relevant Shareholder’s cost (to the extent reasonable)), complete the Complete Disposal in accordance with such legally binding agreement.

7.5 Notwithstanding the provisions in Clauses 7.3 and 7.4, unless with the unanimous consent of the Shareholders, the JV Company shall not, and shall procure the relevant Group Company(ies) not to (a) enter into and/or complete any Complete Disposal as contemplated in Clause 7.3, or (b) accept any offer under the Complete Disposal Tender as contemplated in Clause 7.4, if the offer price or proposed sale price in each case is lower than the higher of:

- (a) 80% of the fair market value of the subject matter for sale; or
- (b) the aggregate of (i) the total amount of funding (whether by way of subscription of Shares, provision of Shareholder Loan(s) or otherwise) which the Shareholders have provided to the Group as at the relevant time and (ii) the total amount required to repay all outstanding external borrowings from banks or other financial institutions of the Group and to fully release and discharge all security documents affecting any Group Company and/or the Property at the relevant time, together with any and all fees, reserves, premiums, interests, expenses, costs and any other moneys payable in respect of such external borrowings and such release and discharge.

For the above purpose, the fair market value of the subject matter for sale shall be based on the average of the market values of the Property as determined by two Acceptable Valuation Agents (and subject to the customary accounting adjustments for indebtedness and working capital of the Group) as of a date no earlier than (x) 30 days before the offer price presented by the Marketing Agent pursuant to the Complete Disposal as contemplated in Clause 7.3 or (y) 60 days after the Tender Sale Reference Date pursuant to the Complete Disposal Tender as

contemplated in Clause 7.4. The Shareholders shall each select and appoint one Acceptable Valuation Agent at the reasonable cost of the Project Company.

## **8. Breach and Termination**

8.1 Each of the following is an “**Event of Default**”:

- (a) if any of the Shareholders is in material breach of the terms of this Deed;
- (b) if any of the Shareholders (or any of its respective direct and/or indirect holding companies), or any part of its assets or undertaking, is involved in or subject to any Insolvency Proceedings, has stopped or suspended payment of its debts by reason of insolvency, become unable to pay its debts or otherwise become insolvent in any relevant jurisdiction or there are circumstances which require or would enable any Insolvency Proceedings to be commenced in respect of such Party or any part of its assets or undertaking. For the avoidance of doubt, this provision shall not apply to a bona fide re-organisation or re-construction of a Shareholder (or any of its direct and/or indirect holding company) whilst solvent on terms approved by the other Shareholder (such approval not to be unreasonably withheld or delayed); or
- (c) if there is a Change in Control of any Shareholder (for avoidance of doubt, including pursuant to a direct or indirect transfer of Shareholder’s Interest) which does not comply with Clause 6 of this Deed or has not been otherwise approved in writing by the other Shareholder.

A material breach for the purposes of this Clause means a breach of any material obligation which is incapable of remedy, or a breach of any material obligation that is capable of remedy but which has not been remedied within thirty (30) calendar days of service of a written notice from the Shareholder who is not in breach requiring that such breach be remedied. For the purpose of this Clause, if an Event of Default has arisen in respect of a Shareholder, such Shareholder shall be the “**Shareholder in Breach**” and the other Shareholder shall be the “**Non-Defaulting Shareholder**”.

8.2 In addition to and without prejudice to any other rights the Non-Defaulting Shareholder has under this Deed, if an Event of Default has occurred with respect to the Shareholder in Breach, upon the Non-Defaulting Shareholder serving a notice to the Shareholder in Breach stating that there has been an Event of Default (“**Default Transfer Notice**”), the Shareholder in Breach shall be deemed to have made an irrevocable offer to the Non-Defaulting Shareholder to sell all of its Shareholder’s Interests to the Non-Defaulting Shareholder or its designee at a discount of 30% to the Fair Market Price of such Shareholder’s Interests.

8.3 The offer may be accepted by the Non-Defaulting Shareholder by giving notice in writing to the Shareholder in Breach within fourteen (14) days after the agreement or determination of the Fair Market Price of the Shareholder’s Interests of the Shareholder in Breach. For the avoidance of doubt, the acceptance or non-acceptance of the offer as referred to in Clause 8.2 by the Non-Defaulting Shareholder does not restrict or prevent the Non-Defaulting Shareholder to exercise any other rights which it may have for an Event of Default.

8.4 For the purposes of this Clause, Fair Market Price shall be determined based on the Net Asset Value where the value of the Property shall be the average of the then market value of the Property as appraised within sixty (60) days of the Default Transfer Notice by any two (2) of the Agreed Professional Agents as may be appointed by the Non-Defaulting Shareholder at its sole discretion. The cost of obtaining such appraisals and/or valuations of the Property shall be borne by the Shareholder in Breach.

- 8.5 In the event that the Shareholder in Breach and the Non-Defaulting Shareholder are not able to agree such Fair Market Price as determined by reference to the appraisals of the Agreed Professional Agents as aforesaid within a period of fourteen (14) days after the appraisal of the market value of the Property (the “**FMV Period**”), the following provisions shall apply to the determination of Fair Market Price for the purposes of this Clause:
- (a) the Non-Defaulting Shareholder shall, within a period of seven (7) days after the expiry of the FMV Period, instruct the Adjudicator to determine the Fair Market Price of the Shareholder’s Interests of the Shareholder in Breach based on the assumptions set out in sub-clause (c) below;
  - (b) the Shareholder in Breach and the Non-Defaulting Shareholder shall be entitled to make written submissions to the Adjudicator within fifteen (15) days of the date of its appointment and the Parties shall provide the Adjudicator with such assistance and documents as the Adjudicator may reasonably require for the purpose of making its determination, subject to the Adjudicator giving such confidentiality undertakings as the Shareholder in Breach and the Non-Defaulting Shareholder may reasonably require;
  - (c) the Adjudicator shall be instructed by the Non-Defaulting Shareholder to deliver their determination of Fair Market Price within thirty (30) days of the date of its appointment pursuant to Clause 8.5(a), such determination to be made on the basis of IFRS and taking into account the following assumptions:
    - (i) the value of the Property is the value as determined by the Agreed Professional Agents as aforesaid; and
    - (ii) the relevant Shareholder’s Interests are free of encumbrances; and
  - (d) provided always that the fair value of a Shareholders Loan shall in no event exceed its par value and if the Adjudicator shall certify that the fair value of the Shareholder’s Interests of the Shareholder in Breach is nil, then the total fair value of such Shareholder’s Interests shall be deemed to be HKD1.00.
- 8.6 The Adjudicator shall act as experts and not as arbitrators and their certification shall, in the absence of fraud or manifest error, be final, conclusive and binding on the Parties. The cost of obtaining such certificate shall be borne by the Shareholder in Breach.
- 8.7 Subject to Clauses 8.8 and 8.9 below, the closing of any sale and purchase under this Clause shall be held at the principal office of the JV Company at 11:00 am local time on the day which is twenty-one (21) Business Days after the date Fair Market Price of the Shareholder’s Interests of the Shareholder in Breach was agreed or certified by the Adjudicator, or at such other time and place as the Parties may agree in writing; provided always that the Non-Defaulting Shareholder shall always have the right, within fourteen (14) Business Days from the date Fair Market Price was agreed or certified by the Adjudicator, to withdraw the Default Transfer Notice by giving written notice to the Shareholder in Breach, in which case the Default Transfer Notice shall be deemed withdrawn and the Non-Defaulting Shareholder shall be deemed to have accepted the Event of Default.
- 8.8 At such closing, the Shareholder in Breach must, upon receipt or deemed receipt of the purchase price (subject to Clause 8.10) by cashier’s order or wire transfer, deliver to the Non-Defaulting Shareholder (or its nominee(s)) the share certificate(s) of its Shares, an executed instrument of transfer of such Shares and an executed assignment of any Shareholder Loans owed by the JV Company to the Shareholder in Breach. The Shareholder in Breach shall be deemed to represent and warrant to the relevant transferee that such Shareholder’s Interests shall be free and clear of any encumbrances and that it is the legal and beneficial owner of the Shareholder’s Interests

or otherwise has full authority to sell, transfer and assign such Shareholder's Interests as provided herein.

- 8.9 Each Shareholder hereby agrees to sign, seal, deliver, execute, perfect and do all deeds, instruments, documents, acts and things as may be required or considered expedient by the other Shareholder to fully carry out the effect of Clauses 6, 8 and 9. If the Shareholder in Breach shall fail to do so, then it shall be deemed to have irrevocably appointed any person nominated for this purpose by the Non-defaulting Shareholder to be its agent and attorney to execute all necessary transfer(s) on its behalf, against receipt by the JV Company (on trust for the Shareholder in Breach) of the consideration payable for its Shareholder's Interest, and to effect and complete such transfer(s) to the Non-Defaulting Shareholder (or its nominee(s)) on behalf of the Shareholder in Breach. After the Non-Defaulting Shareholder (or its nominee(s)) has been registered as the holder of the Shareholder's Interests of the Shareholder in Breach, the validity of such arrangements shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this Clause.
- 8.10 The Non-Defaulting Shareholder may deduct or set off from the purchase price payable to the Shareholder in Breach for its Shareholder's Interests any amounts owed by the Shareholder in Breach to:
- (a) the JV Company, provided that the Non-Defaulting Shareholder pays any such amounts owed to the JV Company; and
  - (b) the Non-Defaulting Shareholder.
- 8.11 Completion of any transfer and assignment of Shareholder's Interest under this Clause shall be subject to compliance with the laws of Hong Kong, the British Virgin Islands and the Listing Rules (as applicable).

## **9. Effect of a Shareholder Transferring its Shares**

- 9.1 Save as otherwise provided herein or otherwise agreed in writing by the Parties, if any Shareholder ceases to be a Shareholder by reason of the transfer of all of its Shareholder's Interests to another Shareholder or other person in accordance with the terms of this Deed, then:
- (a) save for the provisions of Clauses 9.1, 15, 17 and 19, this Deed shall cease to have effect in relation to such former Shareholder, but without prejudice to any claims that have accrued or arisen prior to the completion of transfer of its Shareholder's Interests; and
  - (b) such former Shareholder shall procure its representatives on the board of directors of each of the Group Companies to resign from their offices with effect from the close of business of the date on which it effectively ceases to be a Shareholder.

## **10. AG Exit Option**

- 10.1 Notwithstanding any other provision of this Deed, upon 100% of the disposal of the residential units of the Property, Shareholder A shall be entitled to sell and/or otherwise dispose of all of its Shares (the "**Sale Shares**") to Shareholder B, and Shareholder B shall be obliged to buy and/or otherwise purchase all such Sale Shares (and not only part thereof).
- 10.2 The consideration payable for the Sale Shares shall be calculated as based on the net asset value of the Group at the time of the sale as follows:

Consideration = Net Asset Value x Shareholder A's Equity Ratio in the JV Company (%)

## **10A. Shareholder B's Warranties**

- 10A.1 Shareholder B represents and warrants to Shareholder A that as of the date hereof each of the representations and warranties in Schedule 6 are true, accurate, complete, correct, and not misleading in any material respect (each a “**Shareholder B's Warranty**”, and together the “**Shareholder B's Warranties**”). Shareholder B acknowledges that Shareholder A is entering into this Deed in reliance on the Shareholder B's Warranties being true and accurate and not misleading.
- 10A.2 Each of the Shareholder B's Warranties shall be separate and independent and, save as expressly provided to the contrary, shall not be limited by reference to or interference from any other Shareholder B's Warranty or any other term of this Deed.
- 10A.3 Save the Shareholder B's Warranties, Shareholder A acknowledges that Shareholder B makes or gives no other representation or warranty.
- 10A.4 The liabilities of Shareholder B under the Shareholder B's Warranties and this Deed shall cease absolutely after 24 months from the date of this Deed unless,
- (a) in respect of matters which have been the subject of a written claim specifying in reasonable details the event of default to which the claim relates and the nature of the breach made before the aforesaid date, by Shareholder A to Shareholder B; or
  - (b) in each case the relevant claim or claims has arisen by reason of fraud, willful concealment, dishonesty or deliberate non-disclosure on the part of Shareholder B or on the part of any officer of Shareholder B; in which event, there shall be no limit under this Deed on the time period within which such claims may be brought.
- 10A.5 If any claim is made by Shareholder A against Shareholder B in respect of a breach of the Shareholder B's Warranties under this Clause 10A or any other provisions of this Deed the Parties shall use their reasonable endeavours to settle such claim within six months after a claim was made. Any such claim not settled by the aforementioned six-month period shall be deemed to be waived or withdrawn at the expiry of such six month period unless legal proceedings in respect thereof have been commenced.
- 10A.6 Shareholder B shall not be liable under Shareholder B's Warranties and this Deed to the extent that the breach of the Shareholder B's Warranties occurs solely as a result of or is otherwise solely attributable to any legislation not in force at the date of this Deed or any change of law or administrative practice which takes effect retroactively.
- 10A.7 Shareholder A shall reimburse to Shareholder B an amount equal to any sum paid by Shareholder B to satisfy any claim under the Shareholder B's Warranties of this Deed which is subsequently recovered by or paid to Shareholder A by any third party after deducting all reasonable costs and expenses incurred by Shareholder A arising from or incidental to the recovery of such amount from the third party.
- 10A.8 Any breach of the Shareholder B's Warranties or this Deed by Shareholder B shall be actionable only by Shareholder A and no other persons shall be entitled to make any claim or take any action whatsoever against Shareholder B under, arising out of, or in connection with any of the Shareholder B's Warranties, or this Deed.
- 10A.9 All liability of taxes applicable to the Group incurred or accrued prior to the date of this Deed shall be the responsibility of Shareholder B including such taxes which are not due and payable on or before the date of this Deed.



## **11. Warranties and Undertakings of the Parties**

- 11.1 Each of the Parties warrants to the others that:
- (a) such Party has the power, legal capacity and authority to enter into and perform the obligations of such Party under this Deed;
  - (b) any consents which are required to enable such Party to enter into this Deed have been obtained; and
  - (c) the execution and performance of this Deed have been validly authorised by all necessary action and this Deed is and will remain valid, binding and enforceable against such Party, subject always to the proviso that enforcement may be limited by equitable principles or by bankruptcy, insolvency, liquidation, reorganisation, readjustment of debts or moratorium or other laws of general application relating to or affecting the rights of creditors.
- 11.2 All payments due to Shareholder A, Shareholder B or the JV Company under this Deed will be made to the relevant Party by bank transfer of immediately available funds and no payments will be made in cash or to any third party instead unless directed by the relevant Party or in accordance with the terms of this Deed.
- 11.3 Each of the Parties will keep accurate books and records in connection with its services to be performed under this Deed and will make such books and records available to the auditors for the relevant Shareholder if requested.
- 11.4 Each of the Parties undertakes to the others:
- (a) to perform and observe all provisions of this Deed and, so far as such Party is able to do, to procure the JV Company to perform and observe all the provisions of this Deed; and
  - (b) to take all necessary steps to give full effect to the provisions of this Deed.
- 11.5 Each Shareholder undertakes to the other Parties that it will procure that any person representing that Shareholder at a general meeting of the JV Company and each Director nominated by the Shareholder shall act in accordance with and give effect to the provisions of this Deed.
- 11.6 Save as the Shareholders may otherwise agree, the JV Company shall take all necessary steps to enforce all the material rights of the Shareholders under all agreements to which they are parties.
- 11.7 Each of Shareholder A and Shareholder B represents and warrants to each other and the JV Company that each of the representations and warranties set out in Schedule 5 are true, accurate, complete, correct, and not misleading.
- 11.8 Shareholder A acknowledges and agrees that, save for the warranties set out in this Deed (including the warranties set out in Clauses 10A and 11 and Schedule 5 and Schedule 6) given by Shareholder B, it has not relied (in relation to the Property, the Project, any of the Group Companies or otherwise) on, or been induced to enter into this Deed by, any information (written or oral), statements or warranties or representations of any description made, supplied or given by or on behalf of Shareholder B or the officers, agents, employees or advisers of any of them in relation to the assets and liabilities of the Property, the Project, any of the Group Companies or otherwise, their value or amount, or the businesses or affairs of the any member of the Group or otherwise. Without prejudice to the provisions of the foregoing, Shareholder A irrevocably and unconditionally waives any right it might have to claim damages for breach of any warranty against Shareholder B not contained in this Deed or in respect of any representation not contained in this Deed.

11.9 Shareholder B acknowledges and agrees that, save for the warranties set out in this Deed (including the warranties set out in Clause 11 and Schedule 5) given by Shareholder A, it has not relied on, or been induced to enter into this Deed by, any information (written or oral), statements or warranties or representations of any description made, supplied or given by or on behalf of Shareholder A or the officers, agents, employees or advisers thereof. Without prejudice to the provisions of the foregoing, Shareholder B irrevocably and unconditionally waives any right it might have to claim damages for breach of any warranty against Shareholder A not contained in this Deed or in respect of any representation not contained in this Deed.

## **12. Undertakings Regarding the Operations of the JV Company**

12.1 The JV Company undertakes to each of the Shareholders that, and each of the Shareholders shall procure that, the JV Company shall both with respect to itself and, where applicable, the Group Companies (as the case may be):

- (a) maintain with a well-established and reputable insurer adequate insurance against all risks usually insured against by companies carrying on the same or similar business to the Business and (without prejudice to the generality of the foregoing) for the full replacement or reinstatement value of all its assets of an insurable nature;
- (b) keep books of account and therein make true and complete entries of all its dealings and transactions of and in relation to the Business and such books of account and all other records and documents relating to the business affairs of all Group Companies shall be open to inspection by each of the Shareholders during normal business hours and on reasonable prior notice and they shall be permitted to take and remove copies thereof;
- (c) provide each Shareholder by the 20<sup>th</sup> calendar day after the end of each calendar month with management accounts for such month in a form acceptable to the Shareholders together with a report on renovation, sales, marketing, finance and such other areas as either Shareholder may reasonably require, prepared by the JV Company's management;
- (d) prepare such accounts in respect of each accounting period as are required by statute, such accounts being prepared on an historical cost basis and using the Agreed Accounting Policies, and procure that such accounts are audited as soon as practicable and in any event not later than sixty (60) days after the end of the relevant accounting period; and
- (e) keep each of the Shareholders fully informed as to all its financial and business affairs and in particular provide each of the Shareholders with full details of any actual or prospective material change in such affairs as soon as such details are available.

12.2 The Shareholders shall procure that not later than 1 October of each financial year, the Board prepares and delivers to them a draft business plan, incorporating the proposed annual budget and cash flow forecast for the next financial year. The Shareholders shall procure that the first business plan for the current financial year shall be prepared and approved by the Board in accordance with Clause 4.2 within 21 Business Days following the date of this Deed.

12.3 The Shareholders shall within thirty (30) days' period of receipt of the draft business plan approve the draft business plan, subject to any amendments which they deem appropriate, whereupon it shall become the Business Plan for that financial year.

12.4 At any time during a financial year, the Board may propose to the Shareholders changes to the Business Plan, to which they shall respond within thirty (30) days of receipt of each such proposal.

### **13. Distribution Policy**

13.1 Any Distribution in cash or in specie and whether out of revenue profits, capital profits or capital reserves made by any of the Group Companies shall be made in accordance with such member's articles of association (as applicable), all applicable laws and in accordance with this Deed. The Shareholders will take all actions commercially necessary to maximise Distributions.

### **14. Shareholder A's Right to Co-invest with Shareholder B**

14.1 Until 100% of the disposal of the residential units of the Property, if Shareholder B intends to invest in the development of any residential project located in the approved Kowloon Tong (KPA 18) Outline Zone Plan No. S/K18/21 (whether led or initiated by Shareholder B or other parties) (each an "**In-scope Project**"), Shareholder B shall invite Shareholder A to co-invest in the In-scope Project in accordance with the provisions in this Clause 14. For clarity, "**development**" for the purpose of this Clause 14.1 shall include (but not limited to) new developments or an adaptive reuse, renovation or redevelopment of an existing building or project.

14.2 Pursuant to this Clause 14, Shareholder A shall have the right of first offer (not obligation) to co-invest with Shareholder B in any In-scope Project: (i) for a *pari passu* level of equity interest up to (but not higher than) that of Shareholder B; and (ii) with service fees charged by Shareholder B (to Shareholder A and/or other co-investors) at levels comparable to those under this Deed.

14.3 Shareholder B shall provide a written invitation to Shareholder A to co-invest in the In-scope Project ("**Co-investment Invite**") as soon as practicable and in any event reasonably before Shareholder B enters into any agreements (be it non-binding letter of intent or binding legal agreements whatsoever) for the purposes of investing in any In-scope Project, and shall as soon as reasonably practicable provide all such information relating to the In-scope Project as may be reasonably requested by Shareholder A and to the extent such information is available. Shareholder A shall keep the aforesaid information confidential based on the confidentiality obligations to be reasonably agreed with Shareholder B (and other relevant parties, as appropriate).

14.4 Shareholder A shall indicate to Shareholder B in writing as to whether it intends to co-invest in the relevant In-scope Project within 10 Business Days following receipt of the Co-investment Invite from Shareholder B. If Shareholder A indicates that it intends to co-invest in the relevant In-scope Project within the aforesaid 10-Business Day period, Shareholder A and Shareholder B shall discuss in good faith and shall use their reasonable commercial endeavours to agree on the co-investment terms and conditions for the In-scope Project before the scheduled consummation of the relevant In-scope Project. If Shareholder A indicates that it does not intend to co-invest in the relevant In-scope Project, or if Shareholder A does not indicate whether it intends to co-invest in the relevant In-scope Project, within the aforesaid 10-Business Day period, then Shareholder B shall be entitled to proceed with the In-scope Project whether on its own or with other co-investors.

14.5 Shareholder B agrees to always act in good faith to give effect to this Clause 14 so that Shareholder A will have a reasonable opportunity to exercise its right of first offer to co-invest in the In-scope Project(s) with Shareholder B. Shareholder B shall procure all its Affiliates to comply with this Clause 14 insofar as any of Shareholder B's Affiliate(s) rather than Shareholder B is involved with the In-scope Project(s).

## 15. Confidentiality

15.1 Each Party undertakes to the other Parties that it will not, and will procure that its respective officers, employees, agents and Subsidiaries will not, during the currency of this Deed, and with regard to confidential information relating specifically to the content of this Deed, the Project, the Property and/or any of the Group Companies, for a period of twelve (12) months after the termination of this Deed for whatever reason:

- (a) save with the specified approval of the Board or provision of information on a need-to-disclose basis while acting in good faith in furtherance of the Business, use or divulge to any person, or publish or disclose or permit to be published or disclosed, any secret or confidential information relating to the Project, the Property and/or any of the Group Companies (whether or not, in the case of documents, they are marked as confidential); and/or
- (b) other than as expressly requested by the JV Company and save as specifically allowed by this Deed, retain, duplicate or remove from the premises any information relating to any of the Group Companies in whatever form (whether written, or recorded in some other form, or oral) during the currency of this Deed,

provided that the foregoing restrictions under this Clause shall not apply to:

- (i) the disclosure of information which the recipient can reasonably demonstrate is in the public domain through no fault of its own;
- (ii) the disclosure of information where the disclosure is required by law, pursuant to a court order or pursuant to rules and regulations set by any recognised stock exchange or governmental or other regulatory body. The Party making a disclosure under the exception carved out by this sub-clause (ii) shall, as soon as practicable thereafter, provide a copy of such disclosure to the other Parties (unless specifically prohibited by the applicable law from doing so);
- (iii) the disclosure of information in confidence and in good faith to Permitted Transferees in connection with Clause 6.3, provided that the disclosing party shall take all reasonable steps to ensure that the relevant Permitted Transferees or potential co-investors will keep the disclosed information confidential;
- (iv) the disclosure of information in confidence and in good faith to appropriate professional advisers for the seeking of advice in connection with this Deed, provided that the disclosing party shall take all reasonable steps to ensure that the relevant professional advisers will keep the disclosed information confidential;
- (v) the disclosure of information in confidence and in good faith to appropriate financiers for the seeking of financing for the obligations of the Party concerned under this Deed, provided that the relevant financiers shall have given confidentiality undertakings similar to the provisions under this Clause; or
- (vi) the disclosure is made by Shareholder A to investors and potential investors in funds and/or entity managed directly or indirectly by Angelo, Gordon & Co., L.P. or its parallel funds.

15.2 For the purposes of this Clause, “**information**” includes, without limitation, the following:

- (a) information concerning the affairs or property of any of the Group Companies, or any business property or transaction in which any such company may be or may have been concerned or interested;

- (b) the names and addresses of any client of any of the Group Companies;
- (c) information on the terms of this Deed; or
- (d) information relating to the business methods of any of the Group Companies.

15.3 Subject to each Shareholder's and its Affiliates' legal obligations, each of the Shareholders undertakes to the JV Company and the other Shareholder that for as long as it owns any Shares and for a period of twelve (12) months thereafter it will not and it will procure that none of its Affiliates shall do or say anything which is detrimental to the reputation of any of the Group Companies or which may lead any person (including but not limited to any customer, supplier, employee or agent) to cease to deal with any of the Group Companies on substantially equivalent terms to those previously offered or at all.

## **16. Mutual Co-operation**

16.1 Each of the Shareholders agrees that it will use all reasonable endeavours to promote the business and profitability of the JV Company and of each other Group Company.

16.2 Each of the Parties shall do and execute or procure to be done and executed all such acts, deeds, documents and things as may be within its power, including in relation to the Shareholders (without prejudice to the generality of the foregoing) the passing of resolutions (whether by the Board or in general meeting or any class meeting of the JV Company), to give full effect to this Deed and to procure that all provisions of this Deed are observed and performed.

16.3 Each of the Shareholders agrees with the other that this Deed is entered into between them and will be performed by each of them in a spirit of mutual co-operation, trust and confidence and that it will use all means reasonably available to it (including its voting power whether direct or indirect, in relation to the JV Company) to give effect to the objectives of this Deed and to ensure compliance by the JV Company with its obligations.

## **17. Restrictions on Announcements**

17.1 Subject to Clause 17.2, each of the Parties undertakes that it will not make any public announcement or disclosure regarding the existence of the contents of this Deed unless the other Parties shall have given their respective consents to such announcement (which consents may not be unreasonably withheld and may be given either generally or in a specific case or cases and may be subject to conditions).

17.2 Clause 17.1 shall not apply if and to the extent that such announcement is required by law or by any securities exchange or regulatory or governmental body having jurisdiction over it and whether or not the requirement has the force of law, but the Party with an obligation to make an announcement or issue a circular shall consult with the other Party and use its best endeavours to incorporate the other Party's comments insofar as is reasonably practicable before complying with such obligations.

## **18. Conflict with Articles**

18.1 The Shareholders hereby agree that if and to the extent that the Articles conflict with the provisions of this Deed, this Deed shall prevail for so long as it is in force to regulate the way in which they exercise their respective voting rights as shareholders of the JV Company and each Shareholder shall take all such further steps as may be necessary or requisite to ensure that the provisions of this Deed shall prevail.

## **19. Life of the JV Company**

19.1 Unless the JV Company is wound up in accordance with the provisions of this Deed or as otherwise agreed between the Shareholders, or unless there shall remain only one (1)

Shareholder in the JV Company, the Shareholders shall exercise all rights and powers available to it to ensure that the JV Company shall continue to conduct the Business as a going concern.

- 19.2 Without prejudice to any rights and obligations accrued or incurred prior to the date thereof, this Deed shall cease to apply to a Shareholder that has transferred all of its Shares. This Deed shall continue in full force and effect from the date of this Deed until the earliest of the following:
- (a) the date on which all the Shareholders agree in writing to its termination;
  - (b) the date on which all the Shares become beneficially owned by one Shareholder.
- 19.3 The provisions under Clauses 5.11, 10A, 11, 12, 13, 15, 17, 19.2, 19.3, 20, 22, 23 and 24 (as well as all those provisions by necessary implications) shall survive the termination of this Deed, and termination of this Deed shall be without prejudice to any rights and obligations accrued or incurred prior to the date thereof.

## **20. Notices**

- 20.1 Any notice required to be given by any Party to any other shall be deemed validly served by hand delivery or by prepaid registered letter sent through the post (airmail if to an overseas address) to its address given herein or such other address as may from time to time be notified for this purpose and any notice served by hand shall be deemed to have been served upon the delivery and any notice served by prepaid registered letter shall be deemed to have been served forty-eight (48) hours (seventy-two (72) hours in the case of a letter sent by airmail to an address in another country) after the time at which it was posted and in proving service it shall be sufficient (in the case of service by hand and prepaid registered letter) to prove that the notice was properly addressed and delivered or posted, as the case may be. Any notice if given or made by fax, shall be deemed to have been delivered twenty-four (24) hours after it has been despatched with a confirmation that all pages have been transmitted or if given by e-mail, upon confirmation of sent feature in the email.
- 20.2 Each notice, demand or other communication given or made under this Deed shall be in writing and delivered or sent to the relevant Party at its address, fax number or email address set out below (or such other address as the addressee has by five (5) days' prior written notice specified to the other Parties):

### To Shareholder A:

**KLT II Holdings (BVI) L.P.**  
c/o Angelo, Gordon & Co., L.P.  
245 Park Avenue, 26th Floor  
New York, New York 10167  
The United States of America  
Attention: Mark Maduras

Fax: (1) 212 867-5436  
Email address: mmaduras@angelogordon.com

### To Shareholder B:

**Ultra Elite Global Limited**  
c/o Million Hope Industries Holdings Limited 美亨實業控股有限公司  
Office A, 20th Floor, King Wing Plaza 1, 3 On Kwan Street, Shek Mun, Shatin,  
New Territories, Hong Kong  
Attention: Benny Kwok

Fax: (852) 2602 5840  
Email address: benny.wf.kwok@millionhope.com.hk

To the JV Company:

**Wealth King Ventures Limited**

- (i) c/o Angelo, Gordon & Co., L.P.  
245 Park Avenue, 26th Floor  
New York, New York 10167  
The United States of America  
Attention: Mark Maduras

Fax: (1) 212 867-5436  
Email address: mmaduras@angelogordon.com

and

- (ii) c/o Million Hope Industries Holdings Limited 美亨實業控股有限公司  
Office A, 20th Floor, King Wing Plaza 1, 3 On Kwan Street, Shek Mun, Shatin,  
New Territories, Hong Kong  
Attention: Benny Kwok

Fax: (852) 2602 5840  
Email address: benny.wf.kwok@millionhope.com.hk

Any notice to Shareholder A and/or the JV Company regarding any claim, dispute or termination arising from or in connection with this Deed shall also be copied simultaneously to the following parties:

- (i) McDermott Will & Emery LLP  
One Vanderbilt Avenue  
New York, NY 10017-3852  
The United States of America  
Attention: Stacie Trott

Fax: (1) 646 219 5412  
Email address: strott@mwe.com

- (ii) Baker & McKenzie  
14<sup>th</sup> Floor, One Taikoo Place  
979 King's Road, Quarry Bay  
Hong Kong  
Attention: Rico Chan

Fax: (852) 2845 0476  
Email address: rico.chan@bakermckenzie.com

20.3 A copy of any notice sent to the JV Company shall be sent to each of the Shareholders at the addresses set out above.

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

## **21. United States Tax Matters**

21.1 Shareholder A shall be authorized to take the lead on any United States tax matters of the Group (each of the Group Company under this Clause 21.1 shall be referred to as the “**U.S. Tax Matters Shareholder**”). In connection with Shareholder A’s desire for the Group to be treated as “pass-through” entities solely for United States federal income tax purposes, the U.S. Tax Matters Shareholder shall make (or cause to be made) the appropriate elections as required under United States federal income tax laws.

## **22. Miscellaneous**

22.1 Nothing contained or implied in this Deed shall constitute or be deemed to constitute a partnership between the Parties and save as expressly agreed herein none of the Parties shall have any authority to bind or commit any other Party.

22.2 Each Party acknowledges and agrees that if any of them shall breach the warranties, representations, undertakings or other obligations (for the purposes of this Clause referred to as the “**Agreed Terms**”) on each of their parts contained in this Deed or any other agreement entered into pursuant to it and damages may not be an adequate remedy, then the Agreed Terms may be enforceable by injunction, order for specific performance or such other equitable relief as a court of competent jurisdiction may see fit to award.

22.3 Each Party shall bear its own costs and disbursements of and incidental to the preparation, negotiation, execution and performance of this Deed.

22.4 Save as otherwise provided herein, the benefits and obligations conferred by this Deed upon each of the Parties are personal to that Party and shall not be, and shall not be capable of being assigned or otherwise disposed of or pledged by way of security, save with the written consent of each of the other Parties.

22.5 This Deed (including the Recital), together with any documents referred to herein or executed contemporaneously by the Parties in connection herewith, constitutes the whole agreement between the Parties and supersedes any previous agreements, arrangements or understandings between them relating to the joint investment in the JV Company by the Shareholders.

22.6 No variation or amendment to this Deed shall be effective unless in writing signed by authorised representatives of each of the Parties.

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

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

22.9 This Deed may be entered into on separate counterparts, each of which when so executed and delivered shall be an original but each counterpart shall together constitute one and the same instrument and shall take effect from the time of execution of the last counterpart. Immediate evidence that a counterpart has been executed may be provided by transmission of such engrossment by facsimile machine or electronic mails with the original executed counterpart to be forthwith put in the mail.

22.10 This Deed shall be executed by the Parties hereto in the English language only. In the event of any dispute concerning the construction or interpretation of this Deed, reference shall be made only to this Deed as written in English and not to any translation into any other language.



### **23. Governing Law**

23.1 This Deed shall be governed by and construed in accordance with the laws of Hong Kong without regard to the conflict of laws principles thereof.

### **24. Dispute Resolutions**

24.1 Any dispute, controversy, difference or claim arising out of or relating to this Deed including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it, shall be referred to and finally settled by arbitration administered by the HKIAC under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. The law of this arbitration clause shall be Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be one. The arbitration proceedings shall be conducted in English.

24.2 The Parties hereby consent to the consolidation of any arbitration proceedings commenced under any of the arbitration clauses in this Deed, the Deed of Adherence, the Shareholder Loan Agreement and any other contracts between any Group Company (on one part) and a Contracting Shareholder (on the other part).

24.3 Notwithstanding the provisions of this Clause, nothing in this Deed shall prevent any Party from applying to the Hong Kong courts to seek interim relief in respect of any other Party's breach or anticipated breach of this Deed.

### **25. Process Agents**

25.1 The service of any process connected with proceedings in the Hong Kong courts and Hong Kong arbitration and relating to this Deed will be deemed to have been validly served on a Party if they are served on the process agent whose name and present address are set out below against the name of that Party and service will be deemed to have been acknowledged by that Party if it is acknowledged by that process agent. If any process agent (or its successor) no longer serves as agent for this purpose, the affected Party shall promptly appoint a successor agent in Hong Kong and notify the other Party:

<b>Party</b>	<b>Process Agent</b>
Shareholder A	Angelo, Gordon Asia Limited of Suite 2806, Two Exchange Square, Central, Hong Kong
Shareholder B	Million Hope Industries Limited of Office A, 20/F., Kings Wing Plaza 1, 3 On Kwan Street, Shek Mun, Shatin, New Territories, Hong Kong
JV Company	Angelo, Gordon Asia Limited of Suite 2806, Two Exchange Square, Central, Hong Kong and Million Hope Industries Limited of Office A, 20/F., Kings Wing Plaza 1, 3 On Kwan Street, Shek Mun, Shatin, New Territories, Hong Kong

### **26. Third Party Rights**

26.1 Except as expressly provided by this Deed, a person who is not a party to this Deed has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce this Deed.

## Schedule 1

### Part A: Details of the JV Company

Name :	<b>Wealth King Ventures Limited</b>		
Registered Number :	2080831		
Registered Office :	Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands		
Date and Place of Incorporation :	4 November 2021, the British Virgin Islands		
Authorised Shares :	50,000 shares of USD1.00 each		
Issued Shares :	2 Shares of USD1.00 each		
Shareholders :	<u>Name</u>	<u>Number of shares</u>	<u>Shareholding</u>
	(1) KLT II Holdings (BVI) L.P. (acting by AGR X Asia Member GP, L.L.C., its general partner)	1	50%
	(2) Ultra Elite Global Limited	1	50%
Registered Agent :	Vistra (BVI) Limited		

## Part B: Details of the Intermediate Holding Company

Name : **Vitality Trend Limited**

Registered Number : 2079204

Registered Office : OMC Chambers, Wickhams Cay I, Road Town, Tortola,  
British Virgin Islands

Date and Place of Incorporation : 20 October 2021, the British Virgin Islands

Authorised Shares : 50,000 shares of USD1.00 each

Issued Shares : 1 Shares of USD1.00 each

Shareholders :

<u>Name</u>	<u>Number of shares</u>	<u>Shareholding</u>
Wealth King Ventures Limited	1	100%

Registered Agent : Overseas Management Company Trust (B.V.I.) Ltd.

### Part C: Details of the Project Company

Name : **Trillion Wisdom Limited** 兆惠有限公司  
CR Number : 3098004  
Registered Office : Office A, 20th Floor, King Wing Plaza 1, 3 On Kwan Street,  
Shek Mun, Shatin, New Territories, Hong Kong

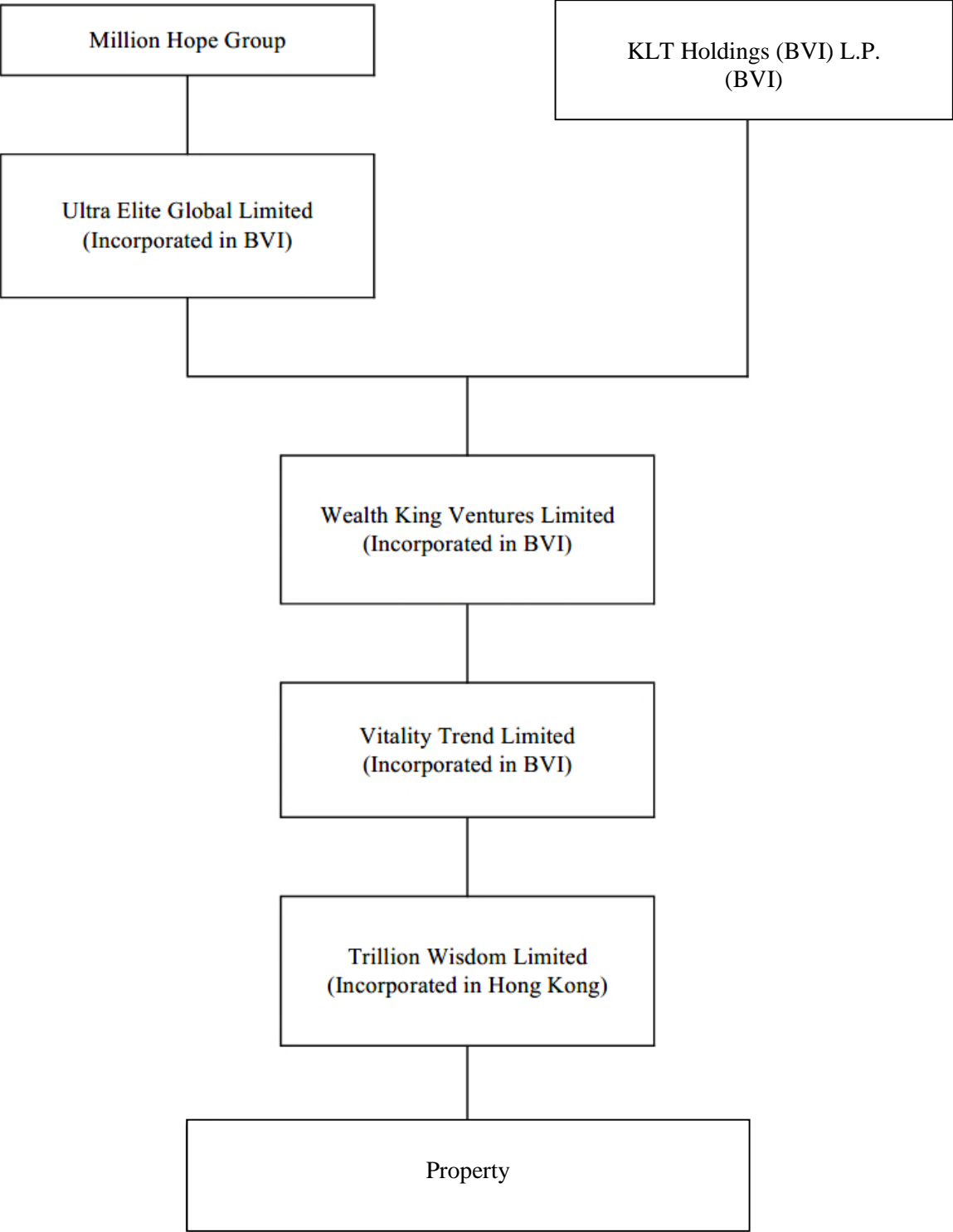
Date and Place of Incorporation : 1 November, 2021 Hong Kong

Number of Issued Shares 1 share

Issued Share Capital : HKD1.00

Shareholders :	<u>Name</u>	<u>Number of shares</u>	<u>Shareholding</u>
	Vitality Trend Limited	1	100%

**Part D: Shareholding Structure**



## Schedule 2

### Particulars of the Property

#### 1 The Property

a. Description and address:

ALL THAT piece or parcel of ground registered in the Land Registry as NEW KOWLOON INLAND LOT NO.3771 as more particularly described or delineated on the plan annexed to the Government Lease in respect thereof (“**Lot**”) together with the messuage erections and buildings thereon known at the date hereof as NO.55 NGA TSIN WAI ROAD, KOWLOON Subject to and with the benefit of the Government Lease in respect of the Lot.

b. Except and reserved as in the Government Lease is excepted and reserved.

c. Easements and other appurtenant rights, if any:

Subject to and with the benefit of all rights rights of way (if any) easements privileges and appurtenances more particularly described in the Government Lease and all other subsisting rights and rights of way.

#### 2 The Government Lease

a. Date: 31 January 1956

b. Parties: Queen Elizabeth II of the one part and Loretta Law of the other part

c. Term: 75 years commencing from the 1 July 1898 with a right of renewal for a further term of 24 years less the last three days thereof commencing immediately after the expiration of the original term under the Government Lease, which is deemed to have been granted under and by virtue of the Government Leases Ordinance (Cap.40 of the Laws of Hong Kong) (such term is extended until the 30 June 2047 under Section 6 of the New Territories Leases (Extension) Ordinance (Cap.150 of the Laws of Hong Kong))

d. Lot Number: New Kowloon Inland Lot No.3771

**Schedule 3**

**Deed of Adherence**

DATE:

By this Deed we, [ ]

having our registered office at [ ]

intending to become a shareholder of **Wealth King Ventures Limited** (the “**JV Company**”) hereby agree with the JV Company and each of its shareholders to comply with and to be bound by all of the provisions of a Shareholders Deed dated [date] between AGR X Asia Member GP, L.L.C. as general partner acting for and on behalf of **KLT II Holdings (BVI) L.P., Ultra Elite Global Limited** and the JV Company (the “**Deed**”) (a copy of which has been delivered to us and which we have initialled and attached hereto for identification) in all respects as if we were a party to such Deed and were named therein as a Shareholder and a Party and on the basis that references therein to each of “Shareholder” and “Party” include a separate reference to us.

This Deed shall be governed by and construed in accordance with the laws of Hong Kong. Any dispute, controversy, difference or claim arising out of or relating to this Deed including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it, shall be referred to and finally settled by arbitration administered by Hong Kong International Arbitration Centre (“**HKIAC**”) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. The law of this arbitration clause shall be Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be one. The arbitration proceedings shall be conducted in English. We hereby consent to the consolidation of any arbitration proceedings commenced under this Deed with any arbitration proceedings commenced under the Deed.

IN WITNESS WHEREOF this Deed has been executed by us and is intended to be and is hereby delivered on the date appearing at the head hereof.

THE COMMON SEAL )  
of [ ] Limited )  
was affixed to this Deed )  
in the presence of: )

\_\_\_\_\_  
Director

\_\_\_\_\_  
Director/Secretary

## Schedule 4

### Form of Shareholder Loan Agreement

#### Shareholder Loan Agreement

This Agreement is dated \_\_\_\_\_

#### Between

AGR X Asia Member GP, L.L.C. as general partner acting for and on behalf of **KLT II Holdings (BVI) L.P.**, a British Virgin Islands limited partnership whose registered office is at Kingston Chambers, P.O. Box 173, Road Town, Tortola, British Virgin Islands (the “**First Lender**”);

**Ultra Elite Global Limited**, a company incorporated in the British Virgin Islands whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the “**Second Lender**”),

(the First Lender and the Second Lender are collectively, the “**Lenders**”); and

**Wealth King Ventures Limited**, a company incorporated in the British Virgin Islands whose registered office is at Vistra Corporate Services Centre, Wickhams Cay II, Road Town, Tortola, VG1110, British Virgin Islands (the “**Borrower**”),

(the Lenders and the Borrower are collectively, the “**Parties**”).

#### Recital

A. Prior to the execution of this Agreement, each of the First Lender and the Second Lender has lent an unsecured and interest free loan in the principal amount of HKD[number] to the Borrower (collectively, the “**Existing Loans**”).

#### 1. Definitions and Interpretation

1.1 Unless otherwise defined herein, capitalised terms used but not otherwise defined in this Agreement have the same meaning as in the shareholders deed (in relation to the Borrower) dated the date hereof and entered into between the Lenders and the Borrower (the “**Shareholders Deed**”).

“**Commitment**” means the principal amount of HKD172,400,000 for each of Shareholder A and Shareholder B (including principal amount owed to them under the Existing Loans), i.e. totalling HKD344,800,000 (or such greater amount agreed between the First Lender, the Second Lender and the Borrower in writing).

“**Drawdown Notice**” means a notice under clause 4.1, a form of which is annexed hereto as Schedule A.

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

“**Loan**” means each loan lent or to be lent by the Lenders to the Borrower under this Agreement or the amount of any loan for the time being outstanding, and the aggregate amount of the Loans shall be no greater than the amount of the Commitment.

“**Principal Outstanding**” means the total principal amount of all outstanding Loans owed to each of the Lenders.

“**Undrawn Commitment**” means the Commitment less the Principal Outstanding.



## 1.2 Interpretation

- (a) Headings are for convenience only and do not affect interpretation. The following rules in Clauses 1.2(b) to 1.2(j) below apply unless the context requires otherwise.
- (b) The singular includes the plural and the converse.
- (c) A gender includes all genders.
- (d) Where a word or phrase is defined, its other grammatical forms have a corresponding meaning.
- (e) A reference to a person, corporation, trust, partnership, unincorporated body or other entity includes any of them.
- (f) A reference to a clause, annexure or schedule is a reference to a clause of, or annexure or schedule to, this Agreement.
- (g) A reference to a Party to this Agreement or another agreement or document includes the Party's successors and permitted substitutes or assigns.
- (h) A reference to legislation or to a provision of legislation includes a modification or re-enactment of it, a legislative provision substituted for it and a regulation or statutory instrument issued under it.
- (i) A reference to writing includes a facsimile transmission and any means of reproducing words in a tangible and permanently visible form.
- (j) A reference to conduct includes an omission, statement or undertaking, whether or not in writing.

## 2. Rights of the Lenders

- 2.1 Each of the Lenders has the benefit of the terms of this Agreement and each of them may waive the fulfilment of them, in whole or in part and with or without conditions, without prejudicing each of their right to require subsequent fulfilment of any such terms.

## 3. Loan

- 3.1 The Borrower acknowledges that, as at the date of this Agreement, it has borrowed in aggregate the amount of HKD[**number**] from the Lenders (being, HKD[**number**] from the First Lender and HKD[**number**] from the Second Lender).
- 3.2 The Lenders have made and shall continue to make, subject to the terms of this Agreement and the Shareholders Deed, available to the Borrower a Hong Kong Dollar facility in an aggregate amount equal to the Commitment. The Borrower acknowledges and agree that it shall repay Loans in accordance with this Agreement and the Shareholders Deed.

## 4. Drawdown

- 4.1 Subject to clause 4.4, the Borrower may draw one or more Loans upon providing prior written notice to the Lenders (the "**Drawdown Notice**"), such notice to specify the amount of the Loan requested and the manner which the Loan to be made available under clause 4.3 below. The form of Drawdown Notice is attached in this Agreement as Schedule A. For the avoidance of doubt, no Drawdown Notice is required to be issued in respect of the Existing Loans.
- 4.2 The amount of a Loan requested by the Borrower under clause 4.1 above shall not exceed the Undrawn Commitment and shall be drawn on a pro rata basis according to the shareholding of each of the Lenders in the Borrower.

4.3 The Loans requested by the Borrower under clause 4.1 shall be made available by the Lenders to the Borrower as requested by the Borrower by one or more than one of the following methods:

- (a) cash advance; or
- (b) other immediately available funds,

to the bank account of the Borrower designated by the Borrower in the Drawdown Notice.

4.4 The request for a Loan by the Borrower must be in accordance with the Shareholders Deed and the principle that the First Lender and Second Lender will make such Loans to the Borrower on a pro rata basis according to their Shareholdings.

4.5 The obligations of each of the Lenders in this Agreement shall be several and not joint and several.

## **5. Security**

5.1 Each of the Loans will be unsecured.

## **6. Interest**

6.1 No interest will be payable on the Loans.

## **7. Repayment**

### **Repayment**

7.1 The Borrower has agreed and promised to repay the Principal Outstanding and any other amounts then due and payable by the Borrower to the Lenders under this Agreement in accordance with clause 5.9 of the Shareholders Deed.

### **Manner**

7.2 The Borrower shall make all payments to the Lenders without set-off, counterclaim or other deduction.

7.3 If any payment is due on a day which is not a Business Day, the due date will be the following Business Day.

## **8. Assignment**

### **Assignment by Borrower**

8.1 The Borrower may not assign or transfer any of its rights or obligations under this Agreement without the prior written consent of the Lenders.

### **Assignment by the Lenders**

8.2 None of the Lenders shall have the right to assign or novate its rights and obligations under this Agreement except in accordance with the Shareholders Deed.

## **9. Conflict with the Shareholders Deed**

9.1 If there is any conflict between the provisions of this Agreement and the provisions of the Shareholders Deed, the provisions of the Shareholders Deed shall prevail.

## 10. Notices

- 10.1 Any notice required to be given by any Party to any other shall be deemed validly served by hand delivery or by prepaid registered letter sent through the post (airmail if to an overseas address) to its address given herein or such other address as may from time to time be notified for this purpose and any notice served by hand shall be deemed to have been served upon the delivery and any notice served by prepaid registered letter shall be deemed to have been served forty-eight (48) hours (seventy-two (72) hours in the case of a letter sent by airmail to an address in another country) after the time at which it was posted and in proving service it shall be sufficient (in the case of service by hand and prepaid registered letter) to prove that the notice was properly addressed and delivered or posted, as the case may be. Any notice if given or made by fax, shall be deemed to have been delivered twenty-four (24) hours after it has been despatched with a confirmation that all pages have been transmitted or if given by e-mail, upon confirmation of sent feature in the email.
- 10.2 Each notice, demand or other communication given or made under this Agreement shall be in writing and delivered or sent to the relevant Party at its address, fax number or email address set out below (or such other address as the addressee has by five (5) days' prior written notice specified to the other Parties):

To First Lender:

**KLT II Holdings (BVI) L.P.**

c/o Angelo, Gordon & Co., L.P.  
245 Park Avenue, 26th Floor  
New York, New York 10167  
The United States of America  
Attention: Mark Maduras

Fax: (1) 212 867-5436

Email address: mmaduras@angelogordon.com

To Second Lender:

**Ultra Elite Global Limited**

c/o Million Hope Industries Holdings Limited 美亨實業控股有限公司  
Office A, 20th Floor, King Wing Plaza 1, 3 On Kwan Street, Shek Mun, Shatin,  
New Territories, Hong Kong  
Attention: Benny Kwok

Fax: (852) 2602 5840

Email address: benny.wf.kwok@millionhope.com.hk

To Borrower:

**Wealth King Ventures Limited**

(i) c/o Angelo, Gordon & Co., L.P.  
245 Park Avenue, 26th Floor  
New York, New York 10167  
The United States of America  
Attention: Mark Maduras

Fax: (1) 212 867-5436

Email address: mmaduras@angelogordon.com

and

- (ii) c/o Million Hope Industries Holdings Limited 美亨實業控股有限公司  
Office A, 20th Floor, King Wing Plaza 1, 3 On Kwan Street, Shek Mun, Shatin,  
New Territories, Hong Kong  
Attention: Benny Kwok

Fax: (852) 2602 5840

Email address: benny.wf.kwok@millionhope.com.hk

Any notice to the First Lender and/or the Borrower regarding any claim, dispute or termination arising from or in connection with this Agreement shall also be copied simultaneously to the following parties:

- (i) McDermott Will & Emery LLP  
One Vanderbilt Avenue  
New York, NY 10017-3852  
The United States of America  
Attention: Stacie Trott

Fax: (1) 646 219 5412

Email address: strott@mwe.com

and

- (ii) Baker & McKenzie  
14<sup>th</sup> Floor, One Taikoo Place  
979 King's Road, Quarry Bay  
Hong Kong  
Attention: Mr. Rico Chan

Fax: (852) 2845 0476

Email address: rico.chan@bakermckenzie.com

10.3 A copy of any notice sent to the Borrower shall be sent to each of the Lenders at the addresses set out above.

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

## **11. Costs and Expenses**

11.1 Each Party shall bear its own costs and expenses for the preparation and execution of this Agreement.

## **12. Governing Law**

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

## **13. Dispute Resolutions**

13.1 Any dispute, controversy, difference or claim arising out of or relating to this Agreement including the existence, validity, interpretation, performance, breach or termination thereof or any dispute regarding non-contractual obligations arising out of or relating to it, shall be referred to and finally settled by arbitration administered by the Hong Kong International Arbitration

Centre (“**HKIAC**”) under the HKIAC Administered Arbitration Rules in force when the Notice of Arbitration is submitted. The law of this arbitration clause shall be Hong Kong law. The seat of arbitration shall be Hong Kong. The number of arbitrators shall be one. The arbitration proceedings shall be conducted in English. Notwithstanding the provisions of this Clause, nothing in this Agreement shall prevent any Party from applying to the Hong Kong courts to seek interim relief in respect of any other Party’s breach or anticipated breach of this Agreement.

**14. Process Agents**

14.1 The service of any process connected with proceedings in the Hong Kong courts and Hong Kong arbitration and relating to this Agreement will be deemed to have been validly served on a Party if they are served on the process agent whose name and present address are set out below against the name of that Party and service will be deemed to have been acknowledged by that Party if it is acknowledged by that process agent. If any process agent (or its successor) no longer serves as agent for this purpose, the affected Party shall promptly appoint a successor agent in Hong Kong and notify the other Party:

<b>Party</b>	<b>Process Agent</b>
First Lender	Angelo, Gordon Asia Limited of Suite 2806, Two Exchange Square, Central, Hong Kong
Second Lender	Million Hope Industries Limited of Office A of 20/F., Kings Wing Plaza 1, 3 On Kwan Street, Shek Mun, Shatin, New Territories, Hong Kong
Borrower	Angelo, Gordon Asia Limited of Suite 2806, Two Exchange Square, Central, Hong Kong and Million Hope Industries Limited of Office A of 20/F., Kings Wing Plaza 1, 3 On Kwan Street, Shek Mun, Shatin, New Territories, Hong Kong

**15. Third Party Rights**

15.1 Except as expressly provided by this Agreement, a person who is not a party to this Agreement has no right under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce this Agreement.

**Schedule A**  
**Form of Drawdown Notice**

Date:

To: (1) **KLT II Holdings (BVI) L.P.**  
c/o Angelo, Gordon & Co., L.P.  
245 Park Avenue, 26th Floor  
New York, New York 10167  
The United States of America  
Attention: Mark Maduras

Fax: (1) 212 867-5436  
Email address: mmaduras@angelogordon.com

(2) **Ultra Elite Global Limited**  
c/o Million Hope Industries Holdings Limited 美亨實業控股有限公司  
Office A, 20th Floor, King Wing Plaza 1, 3 On Kwan Street, Shek Mun, Shatin, New Territories, Hong Kong  
Attention: Benny Kwok

Fax: (852) 2602 5840  
Email address: benny.wf.kwok@millionhope.com.hk

Dear Sirs,

**DRAWDOWN NOTICE**

1. We refer to the shareholder loan agreement dated [ ] and made between the Lenders and the Borrower (the “**Agreement**”). Unless otherwise defined herein, capitalised terms defined in the Agreement shall have the same meanings when used in this Drawdown Notice.
2. This notice constitutes a Drawdown Notice pursuant to clause 4.1 of the Agreement.
3. We wish to borrow a Loan in the amount of [ ] [to be made available to us by [cash advance/other immediately available funds]].
4. Our payment instructions are as follows:  
[ ]

Yours faithfully  
for and on behalf of  
**Wealth King Ventures Limited**

---

Name:  
Director

**Execution**

IN WITNESS whereof this Agreement has been executed by the Parties on the date appearing at the head hereof.

**SIGNED** for and on behalf of **KLT II Holdings (BVI) L.P.**

By: **AGR X Asia Member GP, L.L.C.** (its general partner)

By: **AG Real Estate Manager, Inc.** (its manager)

By:

\_\_\_\_\_

**KLT II Holdings (BVI) L.P.**

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

Name:

Position:

**[Execution Page to the Shareholder Loan Agreement]**

Signed for and on behalf of )  
**Ultra Elite Global Limited** )  
in the presence of: )

\_\_\_\_\_  
Name:  
Position: Director

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



Signed for and on behalf of )

**Wealth King Ventures Limited** )

in the presence of: )

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

Position: Director

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

Name:

Address:

## Schedule 5

### Warranties regarding Anti-money laundering and Anti-corruption

1. Each of Shareholder A and Shareholder B represents and warrants to each other and the JV Company that on the date hereof:
  - (a) none of itself, its Affiliates and any person who owns any equity or other interest in or controls it or its Affiliates is:
    - (i) identified on any Governmental List, or otherwise qualifies as a Prohibited Person; or
    - (ii) in violation of any law, rule or regulation relating to anti-money laundering or anti-terrorism, including, without limitation, any law, rule or regulation related to transacting business with Prohibited Persons or the requirements of any Anti-Money Laundering Law;
  - (b) no funds or assets invested in it or its Affiliates constitute the property of or are beneficially owned, by any person which is:
    - (i) identified on any Governmental List, or otherwise qualifies as a Prohibited Person; or
    - (ii) in violation of any law, rule or regulation relating to anti-money laundering or anti-terrorism, including, without limitation, any law, rule or regulation related to transacting business with Prohibited Persons or the requirements of any Anti-Money Laundering;
  - (c) it and its Affiliates each has implemented procedures to ensure that:
    - (i) no person who now or hereafter owns any equity or other interest in it is a Prohibited Person or is controlled by a Prohibited Person; and/or
    - (ii) no funds or assets invested in it constitute the property of or shall be beneficially owned, directly or indirectly, by any Prohibited Person; and
  - (d) it, and each of its officer, director, employee, partner, member, manager, shareholder, duly authorised agent or Affiliate, shall not take any action in violation of any Anti-Corruption Law. It will immediately notify each other and the JV Company of any request that any of the aforementioned parties receives to take any action that may constitute a violation of any of the Anti-Corruption Laws.
2. Shareholder B acknowledges that Anti-Corruption Laws (including the U.S. Foreign Corrupt Practices Act, as amended) applies to each of Shareholder A and the Project Company, acknowledges receipt of Angelo, Gordon's Anti-Corruption Policy:
  - (a) the Parties including Shareholder A shall comply with the Anti-Corruption Laws (whether or not technically or jurisdictionally applicable) and with Angelo, Gordon's Anti-Corruption Policy (or a policy substantially similar to it) in connection with their performance under this Deed;
  - (b) the Parties shall adopt and establish an internal monitoring and compliance program for the Project Company and use their reasonable endeavour to assure compliance with the Anti-Corruption Laws and with Angelo, Gordon's Anti-Corruption Policy (or a policy substantially similar to it) by the Project Company, its officer, director and employee; and

- (c) The Project Company shall adopt an anti-corruption policy to be issued to its officers, directors and employees. The anti-corruption policy shall include at minimum:
  - (i) An acknowledgment to be executed by the officers, directors and employees of the Project Company acknowledging that they received, read and understood the provisions of the anti-corruption policy;
  - (ii) Rules and procedures for the engagement of third parties on behalf of the Project Company;
  - (iii) Procedures for payments which are required to be made on behalf of the Project Company;
  - (iv) Procedures for providing food, travel, and/or entertainment to government officials and other on behalf of the Project Company; and
  - (v) Financial controls to assure the keeping of books and records;
- (d) the Project Company shall establish and maintain systems of internal control so that any payment is subject to proper authorization, is accurately recorded in the books and records and is subject to internal and external audit and verification; and
- (e) the Project Company will promptly notify Shareholder A of any request or action that may violate Anti-Corruption Law and agrees to take appropriate remedial measures.
- (f) Shareholder A shall have the right to audit compliance by the Project Company with these requirements.

3. For the purpose of this Schedule, the following terms and expressions shall have the meanings as described below:

**“Anti-Corruption Law”** means anti-bribery or anti-corruption laws (as amended from time to time) of the United States of America (U.S.), Hong Kong, and any other anti-bribery or anti-corruption laws of any jurisdiction in which any party and/or the Project Company conducts business or owns assets. The applicable anti-corruption laws include without limitation:

- (i) the Foreign Corrupt Practices Act of 2007, 15 U.S.C. §78-dd et. seq.;
- (ii) the Travel Act, 18 U.S.C. §1952 et. seq.; and
- (iii) other similar and applicable anti-bribery, anti-mail fraud, anti-wire fraud, and anti-corruption laws enacted or promulgated from time to time,

in each case, together with any executive orders, rules or regulations promulgated thereunder, including, without limitation, temporary regulations, all as amended or otherwise modified from time to time, enacted by any competent authority;

**“Anti-Money Laundering Law”** means anti-money laundering laws (as amended from time to time) of the United States of America (U.S.), Hong Kong, and any other anti-money laundering laws of any jurisdiction in which any party and/or the Project Company conducts business or owns assets. The applicable anti-money laundering laws include without limitation:

- (i) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act of 2001, Pub. Law No. 107-56, 115 Stat. 296 (2001);
- (ii) the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701 et. seq. (2003);
- (iii) the Trading with the Enemy Act, 50 U.S.C. App. §§ 1 et. seq. (2003);

- (iv) the U.S. Currency and Foreign Transactions Reporting Act of 1970;
- (v) the U.S. Money Laundering Control Act of 1986; and
- (vi) other similar and applicable laws enacted or promulgated from time to time,

in each case, together with any executive orders, rules or regulations promulgated thereunder, including, without limitation, temporary regulations, all as amended or otherwise modified from time to time, enacted by any competent authority;

**“Governmental List”** means:

- (i) the List of Specially Designated Nationals and Blocked Persons promulgated by the U.S. Department of the Treasury Office of Foreign Assets Control (OFAC) from time to time; and
- (ii) any other similar and applicable list (including, without limitation, any list of Prohibited Persons) promulgated by any government authority including the government of the U.S., HK, U.K., and EU as well as the restrictions under Anti-Money Laundering Law from time to time; and

**“Prohibited Person”** means any person or entity:

- (i) targeted by U.S., Chinese, European Union, U.K., or United Nations trade sanctions or export controls, including but not limited to parties identified on US OFAC List of Specially Designated Nationals and Blocked Persons ([sanctionssearch.ofac.treas.gov](https://sanctionssearch.ofac.treas.gov)) or who are 50% or more owned by such parties; parties designated on the EU’s consolidated list of persons, groups and entities subject to financial sanctions; the UK’s consolidated list of financial sanctions targets; **OR**
- (ii) otherwise subject to restrictions under any other similar list (including, without limitation, any list of Prohibited Persons) promulgated by any governmental authority including the government of the U.S, HK, U.K., EU as well as the restrictions under the Anti-Money Laundering Law from time to time.

## **Schedule 6**

### **Shareholder B's Warranties**

#### **1. General**

- 1.1 The information and particulars in respect of each member of the Group set out in the recital and Schedule 1 of this Deed are true and accurate, and all shares held by any member of the Group in any other member of the Group are legally and beneficially held free from any liens, charges, encumbrances and other third party rights.
- 1.2 All written information relating to any member of the Group given by or on behalf of Shareholder B to Shareholder A or any of its representatives was when given and is now true, and accurate and not misleading.
- 1.3 Save for the JV Company and the Intermediate Company, no member of the Group directly or indirectly holds or beneficially owns any equitable, financial, management or other interest in any person (including any company, partnership, unincorporated company or association).

#### **2. Corporate Status**

- 2.1 Each member of the Group has been duly incorporated and constituted under the laws of its place of incorporation, and is legally and validly subsisting under the law of its place of incorporation, and there has been no resolution, petition or order for the winding-up of any member of the Group and no receiver has been appointed in respect thereof or any part of the assets thereof, nor are any such resolutions, petitions, orders and appointments imminent or likely.
- 2.2 So far as Shareholder B is aware after making reasonable enquiry, no events or omissions have occurred whereby the constitution subsistence or corporate status of the Group has been or is likely to be adversely affected.

#### **3. Issued Shares**

- 3.1 All of the Shares issued by the JV Company to Shareholder A on the date of this Deed represent 50% of the total issued shares of the JV Company and, subject to both Shareholders having complied with the share subscription procedures mutually between them, were allotted and issued fully paid up in accordance with the constitutional documents of the JV Company and all relevant laws free from all liens, claims, equities, charges, encumbrances or any third party rights of whatsoever nature, and rank equally with all other shares of the JV Company.
- 3.2 There is no agreement or commitment outstanding which calls for the allotment or issue of, or accords to any person the right to call for the allotment or issue of, any shares or securities in or debentures of any member of the Group.
- 3.3 There are not in issue any other shares, debentures, warrants, options or securities of any description in respect of any member of the Group.
- 3.4 No member of the Group is under any contract, option, warrants or any other obligations for the issue of any shares, debentures, warrants, options, or other similar securities.

#### **4. Accounts**

- 4.1 The accounting and other books and records of each member of the Group are in its possession, have been properly written up and accurately present and reflect in accordance with generally accepted accounting principles and standards, all the material transactions entered into by each such member of the Group or to which each such member of the Group has been a party and

there are at the date hereof no material inaccuracies or discrepancies of any kind contained or reflected in any of the said books and records.

## **5. Compliance with Legal Requirements**

- 5.1 All corporate or other documents required to be filed or registered in respect of each member of the Group with the Registrar of Companies in their respective places of incorporation or operation have been duly filed as appropriate. To the best of the knowledge of Shareholder B, all required corporate procedures and approvals have been duly complied with and obtained in respect of all acts and deeds of the Group and all such acts and deeds are valid and binding.
- 5.2 The statutory books (if any) and records containing minutes of directors' and shareholders' meeting of each member of the Group have been properly and accurately written up and contain full and accurate records of all resolutions passed by the directors and the shareholders respectively of each member of the Group and no resolutions have been passed by either the directors or the shareholders of the Group which are not recorded in the relevant records containing minutes of directors' and shareholders' meetings and no member of the Group has received any application or request for rectification of the register of members and compliance has been made with all other legal requirements concerning each member of the Group and all issues of shares, debentures or other securities thereof.
- 5.3 Copies of the memorandum and articles of association or the equivalent constitutional documents of each member of the Group (which have attached thereto copies of all such resolutions as are by law required to be attached thereto) are true, complete and accurate and all legal and procedural requirements and other formalities concerning the memorandum and articles of association or the equivalent constitutional documents have been duly and properly complied with.

## **6. Financial Matters**

- 6.1 Save for (i) any agreement, letter of intent and/or other documents in relation to (x) the incorporation of, or acquisition from any corporate service provider of, any member of the Group, (y) the acquisition of the Property and (z) the engagement of professional advisers in relation to the foregoing, (ii) the Initial Shareholder Loan as referred to in Clause 5.4 and (iii) customary corporate maintenance, each member of the Group has not since their respective incorporation date:
- (a) entered into any agreement, contract or other commitments;
  - (b) incurred any liabilities (whether actual or contingent) since their respective date of incorporation; and
  - (c) no outstanding debts owing to any person.
- 6.2 No member of the Group has factored any of its debts or is engaged in financing of a type which would not require to be shown or reflected in the unaudited financial statements of each member of the Group comprising (i) unaudited profit and loss accounts for the period from their respective dates of incorporation to 30 November 2021; and (ii) unaudited balance sheet as at 30 November 2021.
- 6.3 Save for the Initial Shareholder Loan as referred to in Clause 5.4, there are no liabilities (whether contingent, qualified, disputed, deferred or not) owed by any member of the Group to any of Shareholder B or companies controlled by Shareholder B or any person connected with them, nor are there any indebtedness owing to any member of the Group by any such person.

7. **Taxation**

- 7.1 Each member of the Group (where applicable) is registered in accordance with the Business Registration Ordinance (Cap. 310 of the Laws of Hong Kong) or equivalent legislation in other jurisdiction, and has complied with all other relevant legal requirements relating to registration or notification for taxation purposes, and there is no pending disputes with the Inland Revenue Department or any other tax authorities.

8. **Litigation**

- 8.1 No member of the Group is engaged in any litigation, arbitration or other legal proceedings of a material nature or in any proceedings or hearings of a material nature before any statutory or governmental body, department, board or agency and, so far as Shareholder B is aware after due enquiry, Shareholder B is not aware that any such litigation, arbitration, or other legal proceedings are pending or threatened or of any facts reasonably likely to give rise to such proceedings of a material nature.
- 8.2 No member of the Group is insolvent and no order has been made or resolution passed for the winding up of any member of the Group and there is no outstanding any petition for the winding up of any member of the Group or any receivership of the whole or any part of the undertaking and assets of any member of the Group and so far as Shareholder B is aware, there are no circumstances which would entitle any person to present such a petition or to appoint such receiver.

9. **Miscellaneous**

- 9.1 No member of the Group has been prosecuted or convicted in any part of the world of any criminal offence in relation to the business of the Group.
- 9.2 Save for the Property which will be acquired by the Project Company, no member of the Group owns any property.
- 9.3 All information relating to the corporate status, issued shares or share capital, accounts, financial matters, taxation and litigation of and compliance with legal requirements by the Group and any member of the Group, which is known to Shareholder B and which would materially affect Shareholder A in entering into the transaction as contemplated under this Deed, has been disclosed to Shareholder A in writing.
- 9.4 All material information relating to the Sale and Purchase Agreement which would materially affect Shareholder A in entering into the transaction as contemplated under this Deed, has been accurately disclosed to Shareholder A in writing. Shareholder B has kept Shareholder A informed throughout the negotiation, signing and execution of such Sale and Purchase Agreement, has not made any material concessions or accept any unusual and material risks against the Project Company's rights and interests under such Sale and Purchase Agreement, which has not been notified to and agreed by Shareholder A.

## **Schedule 7**

### **Project Management Major Decisions**

#### Part A - Project Management

1. Preparation of the master and annual budgets, and the making of any changes to the same.
2. Preparation of a master program, and the making of any changes to the same.
3. Design of the Property, and any changes thereto
4. The signing of any contract or a series of contracts the amount of which exceeds HKD100,000.00.
5. Financing and loan arrangements in relation to the Project.
6. Marketing timetable, budget and sales plan for disposal of the Project.
7. Pricing of the Project.
8. Selection and change of auditors.
9. Disposal of the Project.
10. Disposal or share transfer of the Project Company by Shareholder A or Shareholder B.
11. Any organizational change of the Project Company.
12. Entering into any contract between any member of the Group and any Shareholder or any of its Affiliates (save and except for those transactions permitted and regulated under this Deed).

#### Part B - Project Development

1. Selection of quantity surveyor and any changes thereto
2. Selection of consultant team, consultant team structure and any changes thereto
3. Selection of contractors / sub-contractors / suppliers and any changes thereto
4. Procurement procedure / tendering process, and changes thereto
5. Government submissions
6. Any issues which may have a negative impact on budget, construction time, design / layout and statutory matters.

#### Part C - Marketing

1. Preparation of the marketing team structure and marketing budget and any changes thereto.
2. Marketing timetable and sales plan for disposal of each individual unit of the Property and any changes thereto.
3. Engagement, dismissal and replacement of the solicitors handling the sales of the Project.
4. Timing, form and contents of marketing and sales activities.
5. Price list for each individual unit of the Property and any changes thereto.



**Execution**

IN WITNESS whereof this Deed has been executed by the Parties and is intended to be and is hereby delivered on the date appearing at the head hereof.

**SIGNED, SEALED and DELIVERED** as a Deed by **KLT II Holdings (BVI) L.P.**, a limited partnership established in the British Virgin Islands, by being a person who is acting in accordance with the laws of that place, acting under the authority of the limited partnership in the presence of *Ana Martinez*

*Ana Martinez*

By: **AGR X Asia Member GP, L.L.C.** (its general partner)

By: **AG Real Estate Manager, Inc.** (its manager)

By:



*MARIL MADURAS  
VICE PRESIDENT*

**KLT II Holdings (BVI) L.P.**

By executing this Deed the signatory warrants that the signatory is duly authorised to execute this Deed on behalf of **KLT II Holdings (BVI) L.P.**

**[Execution Page to the Shareholders Deed]**

Executed as a deed )  
by affixing the common seal of )  
**Ultra Elite Global Limited** )  
in the presence of: )



A handwritten signature in blue ink, appearing to read 'Kwok Wing Fai', written above a horizontal line.

Signature of witness

**KWOK WING FAI**

Name of witness (block letters)

A handwritten signature in blue ink, appearing to read 'Wong Sue Toa Stewart', written above a horizontal line.

Name: **WONG SUE TOA STEWART**

Director

A handwritten signature in black ink, appearing to read 'Tai Sai Ho', written above a horizontal line.

Name: **TAI SAI HO**

Director

By executing this deed the signatory warrants that the signatory is duly authorised to execute this deed on behalf of **Ultra Elite Global Limited**.

**[Execution Page to the Shareholders Deed]**

Executed as a deed )  
by affixing the common seal of )  
**Wealth King Ventures Limited** )  
in the presence of: )



Handwritten signature in blue ink, appearing to read "Kwok Wing Fai".

Signature of witness

KWOK WING FAI

Name of witness (block letters)

Handwritten signature in blue ink, appearing to read "Wong Sue Toa Stewart".

Name: **WONG SUE TOA STEWART**

Director

Handwritten signature in blue ink, appearing to read "Tai Sai Ho".

Name: **TAI SAI HO**

Director

By executing this deed the signatory warrants that the signatory is duly authorised to execute this deed on behalf of **Wealth King Ventures Limited**

[Execution Page to the Shareholders Deed]