AGREEMENT

FOR

SALE AND PURCHASE

of

- (1) Units Nos.1601, 1602, 1603, 1604, 1605, 1606, 1607 and 1608 on the 16th Floor of Riley House, No.88 Lei Muk Road, Kwai Chung, New Territories; and
- (2) Units Nos.1701, 1702, 1703 and 1704 on the 17th Floor of Riley House, No.88 Lei Muk Road, Kwai Chung, New Territories.

AGREEMENT made the 14th day of April 2022

BETWEEN the Vendors (as defined in Clause 1(b)) whose names and registered offices are more particularly set out in Part I of Schedule 1 hereto of the first part, and the Purchaser whose name and registered office are more particularly set out in Part II of Schedule 1 hereto (the "**Purchaser**") of the second part and the Controlling Shareholder whose name and registered office are more particularly set out in Part III of Schedule 1 hereto (the "**Controlling Shareholder**") of the third part.

IT IS AGREED as follows:-

- 1. (a) Vendor 1 (as defined in (1), Part I of Schedule 1 hereto) shall sell and the Purchaser shall purchase All Those premises shortly described in Part 1 of Schedule 2 hereto and the appurtenances thereto and all the estate, right, title, interest and property whatsoever of the Vendor therein and thereto (the "**Property 1**")
 - (b) Vendor 2 (as defined in (2), Part I of Schedule 1 hereto) shall sell and the Purchaser shall purchase All Those premises shortly described in Part 2 of Schedule 2 hereto and the appurtenances thereto and all the estate, right, title, interest and property whatsoever of the Vendor therein and thereto (the "**Property 2**")
 - (Property 1 and Property 2 are collectively referred to as the "**Properties**"; and Vendor 1 and Vendor 2 are collectively referred to as the "**Vendors**".)
- 2. The purchase price shall be in the sum set out in Part I of Schedule 3 hereto (the "Purchase Price") which shall be paid and satisfied by the Purchaser to the Vendor in the manner also set out in Part I of Schedule 3 hereto.
- 3. (a) The purchase shall be completed at the office of Mason Ching & Associates (the "Vendors' Solicitors") at Room 2403, 24th Floor, World Wide House, No.19 Des Voeux Road Central, Hong Kong on the date of completion specified in Part II of Schedule 3 hereto (the "Completion Date") between the hours of 9:00 a.m. and 5:00 p.m. subject to the fulfillment of the condition precedent as set out in Clause 3(c) below.
 - (b) Subject to Clause 3(c) below, Completion of the sale and purchase of the Properties (the "Completion") shall take place by way of solicitors' cross-undertakings in the form recommended from time to time by The Law Society of Hong Kong with such variations thereto as the solicitors for the Purchaser and the Vendors may agree unless and until either party hereto shall not less than three business days prior to the Completion Date serve on the other party or its solicitors a notice in writing requesting for formal completion in which event the same shall take place Provided that the Purchaser shall accept the undertaking of the Vendors' Solicitors to send to the Purchaser's Solicitors the discharge(s) and/or release(s) of the existing Mortgage (as defined in Clause 5) within 21 days from the Completion Date.
 - (c) Completion is conditional on the fulfillment of the condition precedent that the shareholders of Tsui Wah Holdings Limited ("Tsui Wah"), whose shares are listed

on The Stock Exchange of Hong Kong Limited with stock code 1314, having approved this Agreement and the transaction contemplated hereunder at an extraordinary general meeting of Tsui Wah (the "EGM"). In the event that above condition shall not have been fulfilled on or before 15 August 2022 (the "Long Stop Date"), the Purchaser shall be entitled to rescind this Agreement by giving to the Vendors or the Vendors' Solicitors notice in writing on the Long Stop Date (unless the Long Stop Date be at the sole discretion of the Purchaser extended by the Purchaser) and in which case this Agreement shall be annulled and the Purchaser shall in that event be entitled to the refund of the Deposit forthwith but without any compensation or costs (if such return is made within 7 days without interest) and the parties hereto shall at the cost of the Vendors enter into and cause to be registered at the Land Registry an Agreement for Cancellation and subject to the aforesaid, neither party shall have any claim or cause of action against the other. In the event that the condition shall have been fulfilled after the Completion Date (but before the Long Stop Date), Completion shall take place within seven (7) business days after the fulfilment date of the condition.

- 4. In consideration of the Purchaser entering into this Agreement with the Vendors, the Controlling Shareholder hereby undertakes to and covenants with the Purchaser that it shall remain as a controlling shareholder in Tsui Wah and attend the EGM to vote all its shares in Tsui Wah for the approval of this Agreement and the transaction contemplated hereunder and give all consents and do all acts, deeds, matters and things and execute sign seal (if applicable) and deliver such deeds, documents or instruments as may be necessary for approving this Agreement and the transaction contemplated hereunder.
- 5. Subject to the stakeholders arrangement provided in this Agreement, the Vendors declares that the Vendors' Solicitors are the Vendors' agent for the purposes of receiving all moneys pursuant to this Agreement including the balance of the Purchase Price payable upon completion of this Agreement. Each of the Vendors further authorises the Vendors' Solicitors to apply such amount of the Purchase Price as may be necessary in or towards redemption of the security document(s) or encumbrance of the Properties (if any) expressly described in Schedule 6 hereto (collectively the "Mortgage").
- 6. The Vendors and the Purchaser hereby declare and agree on the following:
 - (a) for the Deposit referred to in Part I of Schedule 3 hereto, the Purchaser shall pay the Deposit to the Vendors' Solicitors as stakeholders who shall deal with the Deposit in accordance with the terms of the said Part I of Schedule 3; and such payment to the Vendors' Solicitors shall be a full and sufficient discharge of the Purchaser's payment obligation in respect of the Deposit hereunder; and
 - (b) for the balance of the Purchase Price referred to in Part I of Schedule 3 hereto and any other monies payable by the Purchaser to the Vendors pursuant to the terms of this Agreement (if any), any such payment to the Vendors' Solicitors shall be a full and sufficient discharge of the Purchaser's obligations in respect of such payments hereunder.
- 7. It is hereby agreed between the Vendors and the Purchaser that after the expiry of the

tenancy as referred to in Clause 27 below, the Vendors shall use their best endeavours to render all assistance to the Purchaser in relation to removal of the internal staircase in the Properties (the "Staircase") and the re-instatement work, including without limitation the submission of relevant application to the Buildings Department and/or other Government authority(ies) and when necessary, to execute and deliver such document(s) as may be required by the Buildings Department and/or other Government authority(ies) for completion of such work and issuance of the relevant Letter of Compliance to the Purchaser. All costs of the removal of the Staircase in the Properties and the re-instatement work shall be borne by the Purchaser absolutely.

- 8. The Vendors shall assign the Properties to the Purchaser free from any encumbrances on Completion.
- 9. The Vendors may revoke the authority of the Vendors' Solicitors as the agent and appoint other solicitors as agents in its place. No such revocation shall be valid unless:-
 - (a) it is in writing addressed to the Purchaser; and
 - (b) it is delivered to the Purchaser care of his solicitors at least seven clear days prior to Completion; and
 - (c) it specifically identifies this Agreement.
- 10. The Properties are and will be sold on an "as is" basis.
- 11. On Completion, against the payment of the residue of the Purchase Price in manner aforesaid (or where the parties have agreed on any applicable undertakings following such payment as aforesaid and in compliance with the applicable undertakings), the Vendors acting in the capacity described in Schedule 4 hereto and all other necessary parties (if any) will execute a proper Assignment and/or other assurance of the Properties to the Purchaser or the Purchaser's nominee(s) or sub-purchaser(s) subject as hereinafter appears but otherwise free from encumbrances and thereafter deliver the same to the Purchaser or the Purchaser's nominee(s) or sub-purchaser(s).
- 12. (a) All outgoings (including but not limited to rates, Government rent and management fees) will be discharged by the Vendors up to and inclusive of the actual day of completion and as from but exclusive of that day, all outgoings (including but not limited to rates, Government rent and management fees) in respect of the Properties will be discharged by the Purchaser and all current outgoings shall if necessary be apportioned between the Vendors and the Purchaser and paid on Completion Provided that a draft apportionment account together with copies of the relevant receipt(s) or supporting document(s) shall have been sent by the Vendors' Solicitors to the Purchaser's Solicitors at least seven (7) business days prior to Completion for verification by the Purchaser.
 - (b) On Completion and upon the Vendors' production and delivery of the original receipts of payment of the deposits hereinafter mentioned or the written confirmation from the manager of the Building (as defined in Schedule 2 hereto) as to the amount of such deposits which are transferable to a purchaser without the production of the original receipts of payment of the deposits for effecting such transfer, the Purchaser shall pay

and account to the Vendors a sum equal to the aggregate amount of all deposits which are transferable and held at the time of completion in respect of the Properties under the Deed of Mutual Covenant and Management Agreement (as defined in Schedule 2 hereto) in respect of the Building by the owners' committee or manager for the time being of the Building or by such other person or persons or corporation entitled to hold the same under the said Deed of Mutual Covenant and Management Agreement.

- 13. Immediately after the signing of this Agreement, the Properties shall as between the Vendors and the Purchaser be at the Purchaser's risk Provided that the Vendors shall authorise the Purchaser to arrange for a policy of insurance (the "Insurance Policy") with such insurance company as shall be determined by the Purchaser at the costs and expenses of the Purchaser. The Purchaser (or such other person as nominated by it) shall be the sole beneficiary under the Insurance Policy, and the terms and conditions of the Insurance Policy, including the coverage under the Insurance Policy, shall be determined by the Purchaser at its sole discretion. The Vendors shall provide the Purchaser with an original of the Insurance Policy immediately upon receipt of the same of the insurance company, if such original of the Insurance Policy is not available prior to the signing of this Agreement.
- 14. The Properties are sold absolutely subject to the provisions contained in the Government Grant under which the Properties are held from the Government for the residue(s) of the term or respective terms of years for which the Properties are held from the Government together with (if applicable) all rights or options of renewal contained in the said Government Grant Subject to the payment of the due proportion of the Government rent and the performance and observance of the provisions/Government lessee's covenants and conditions payable and to be performed and observed in respect of the same and also subject to and with the benefit of any Deed of Mutual Covenant(s) or Deed of Covenant(s) and/or any Sub-Deed of Mutual Covenant(s)/Sub-Deed of Covenant(s) and any Management Agreement (whether incorporated therein or otherwise) and/or any Deed of Grant of Easement(s) or any other deeds of a like nature relating to the Properties.
- 15. Such of the title deeds and documents as are required for the purpose of giving title to the Properties will be delivered to the Purchaser on or before Completion. All other title deeds and documents in the possession of the Vendors will be retained by them who shall, if so required on completion of the sale, give to the Purchaser a covenant for production and delivery of certified copies and for safe custody thereof to be prepared by and at the expense of the Purchaser.
- 16. Each party shall pay his own solicitors' costs and disbursements of and incidental to the preparation, approval, completion and registration of this Agreement and the subsequent Assignment of the Properties.
- 17. All ad valorem stamp duties and registration fees payable on this Agreement and/or the subsequent Assignment shall be wholly paid by the Purchaser.
- 18. The Vendors shall show and give good title to the Properties in accordance with Section 13A of the Conveyancing and Property Ordinance (Cap.219) (the "CPO"). The Vendors shall at their own expense prove his title to the Properties in accordance with Section 13 of the CPO and shall at like expense make and furnish to the Purchaser such

original or certified copies (as the case may be) of any deeds or documents of title, wills and matters of public record as may be necessary to prove such title. The costs of verifying the title by inspection and examination, including search fees, shall be borne by the Purchaser who shall also, if the Purchaser requires certified copies of any documents in the Vendors' possession relating to other premises retained by the Vendors as well as to the Properties pay the costs of such certified copies. If the Purchaser makes any title objection or requisition or any matter appearing on the title deeds or otherwise which the Vendors shall be unable or (on the grounds of difficulty, delay or expenses or on any other reasonable ground) unwilling to comply with or if the title of the Vendor shall be defective, then the Vendors shall notwithstanding any previous negotiation or litigation be at liberty on giving to the Purchaser or the Purchaser's Solicitors not less than seven (7) business days' notice in writing, to annul the sale of the Properties (but not any part thereof), unless the objection or requisition shall have been in the meantime withdrawn by the Purchaser or the same shall have been in the meantime complied with by the Vendors (provided that the Vendors shall give not less than seven (7) business days to the Purchaser to arrange for the payment of the Purchase Price hereunder if the date of such compliance is less than seven (7) business days prior to the Completion Date), the sale of the Properties (but not any part thereof) shall at the expiration of the notice be annulled and the Purchaser shall in that event be entitled to the refund of the Deposit forthwith but without interest, costs or compensation and neither party shall have any claim or demand whatsoever against the other.

- 19. Time shall in every respect be of the essence of this Agreement.
- 20. Should the Purchaser fail (other than due to the default of the Vendors or save as herein expressly provided) to complete the purchase in accordance with the terms and conditions herein contained the Vendors may (without being obliged to tender an Assignment to the Purchaser) determine this Agreement by giving notice of termination in writing to the Purchaser or its solicitors to such effect and the Vendors shall thereupon be entitled to re-enter upon the Properties and repossess the same if possession shall have been given to the Purchaser free from any right or interest of the Purchaser therein and the Vendors shall be entitled to forfeit the Deposit (as defined in Part I of Schedule 3 hereto) paid to the Vendors and to resell the Properties and, after taking into account the amount, if any, forfeited by the Vendors, to recover from the Purchaser any deficiency in price which may result on and all reasonable expenses incurred in such resale. Any increase in price realised by any such resale shall belong to the Vendors.
- 21. In the event of the Vendors (other than due to the default of the Purchaser or save as herein expressly provided) failing to complete the sale of the Properties in accordance with the terms and conditions hereof, all the Deposit paid by the Purchaser pursuant to the provisions of this Agreement shall forthwith be returned to the Purchaser who shall also be entitled to recover from the Vendors damages which the Purchaser may sustain by reason of such failure on the part of the Vendors and it shall not be necessary for the Purchaser to tender an Assignment to the Vendors for execution.
- 22. Nothing in this Agreement shall be so construed as to prevent either the Vendors or the Purchaser from bringing an action and obtaining a decree for specific performance of this Agreement either in lieu of the aforesaid damages or in addition to such damages

as the party bringing such action may have sustained by reason of the breach by the other party to this Agreement and it shall not be necessary for the Purchaser to tender an Assignment to the Vendors for execution before bringing such action for specific performance.

- 23. The parties hereto hereby declare that they fully understand and acknowledge that the date of this Agreement/the date specified in paragraph (G) of Schedule 5 hereto (which date will be identified in the Stamping Request Form for the stamping of this Agreement and the subsequent Assignment of the Properties) will be the date upon which the valuation of the Properties under Section 27 of the Stamp Duty Ordinance is to be made.
- 24. (a) Any notice, request or other communication given by or on behalf of any party hereto pursuant to or in connection with this Agreement shall be deemed to have been validly given if addressed to the party to whom the notice is given or such party's solicitors. Any such notice, request, or other communication, if addressed to the party to whom it is given at such party's address in Hong Kong herein mentioned or such other address in Hong Kong as may from time to time be notified in writing by such party to the other party or his solicitors, or if addressed to the solicitors of such party at its office address, shall be deemed to have been validly given:
 - (i) if delivered personally, at the time of such delivery;
 - (ii) if sent by letter postage prepaid, forty-eight (48) hours after posting;
 - (iii) if sent by letter postage prepaid for the parties' address outside Hong Kong, five (5) days after posting.
 - (b) The Controlling Shareholder declares that it is a company incorporated in the British Virgin Islands. In such connection, notwithstanding and without prejudice to any other effective mode of effecting service of process and notices on the Controlling Shareholder issued or to be issued under this Agreement, the Controlling Shareholder hereby irrevocably appoints the person whose name and address are more particularly set out in Part III of Schedule 1 hereto, who is authorised to accept on behalf of the Controlling Shareholder service of process and any notices required to be served on the Controlling Shareholder under this Agreement, be its agent for the purpose of accepting service of any notice, document, writ, summons, order, judgment or process in any legal action or proceedings of whatsoever nature issued under arising out of or in connection with this Agreement on behalf of the Controlling Shareholder.
- 25. (a) Each of the Vendors hereby declares that it has no knowledge whatsoever as to whether or not the Properties are included in or affected by any lay-out plans (draft or approved) or any other plans prepared under the Town Planning Ordinance (Cap.131).
 - (b) Each of the Vendors hereby further declares that it has not received any notice from the Government under the Lands Resumption Ordinance (Cap.124) or the Mass Transit Railway (Land Resumption and Related Provisions) Ordinance (Cap.276) or the Railways Ordinance (Cap.519) or any form of notice of a similar nature under any other Ordinances affecting the Properties and should it be discovered that any of the

Properties are affected by any such notice on or before Completion, the Purchaser shall be entitled to rescind this Agreement by giving written notice to the Vendors on or before Completion whereupon the Purchaser shall be entitled to an immediate return of all the Deposit but without any compensation or costs (if such return is made within 7 days without interest) and the parties hereto shall at the cost of the Vendors enter into and cause to be registered at the Land Registry an Agreement for Cancellation and subject to the aforesaid, neither party shall have any claim or cause of action against the other. The Vendors undertake to notify the Purchaser forthwith in writing if on or before Completion any such notice as aforesaid is issued or served or any of the Vendors is aware that the Properties are affected by any of the said Ordinances.

- (c) The Vendors hereby further declare that the Vendors have not received and are not aware of there being any notice or order from the Government or any other competent authority or the manager or management committee of the Building requiring any of the Vendors, as co-owners of the Building, to effect repair and/or any other works to any common part of the Building and/or the adjacent slope (if any) or to contribute towards such costs and expenses. If it should be discovered that any such notice or order existed prior to the date hereof or if any such notice or order shall be issued or served on or before Completion the cost for such repair and/or any other works shall be borne by the Vendors. The Vendors undertake to the Purchaser that the Vendors shall forthwith notify the Purchaser in writing if any of the Vendors should receive or become aware of any such notice or order from any Government or any other competent authority or the manager or management committee of the Building. This Clause shall survive completion of the sale and purchase herein.
- (d) Each of the Vendors hereby further declares that it has not received and is not aware of there being any notice or order from the Government or any other competent authority or the manager or management committee of the Building requiring the Vendors to effect repair and/or to carry out any rectification, demolition, re-instatement or remedial works to the Properties, including without limitation any illegal or unauthorised structure(s) or alteration(s) or erection(s) or addition(s) or building work(s) of and in the Properties or to contribute towards such costs and expenses. If it should be discovered that any such notice or order existed prior to the date hereof or if any such notice or order shall be issued or served on or before 31 March 2023, the cost for such repair and/or carrying out such rectification, demolition, re-instatement or remedial works (save for the work in connection with the Staircase) shall be borne by the Vendors and the Vendors shall fully indemnity the Purchaser against all losses, costs, expenses and damages suffered or to be suffered by the Purchaser arising from or in connection with such notice or order and/or by reason of or in connection with the failure of the Vendors to perform the provisions under this Clause. The Vendors undertake to the Purchaser that the Vendors shall forthwith notify the Purchaser in writing if any of the Vendors should receive or become aware of any such notice or order from any Government or any other competent authority or the manager or management committee of the Building. This Clause shall survive completion of the sale and purchase herein.
- (e) Each of the Vendors hereby further declares that it has not received and is not aware of there being any notice or order from the Government or any other competent authority or the manager or management committee of the Building requiring the Vendors to discontinue and/or rectify the existing use of the Properties. If it should be discovered

that any such notice or order existed prior to the date hereof or if any such notice or order shall be issued or served on or before 31 March 2023, the cost for due and punctual compliance with such notice or order shall be borne by the Vendors and the Vendors shall fully indemnify the Purchaser against all losses, costs, expenses and damages suffered or to be suffered by the Purchaser arising from or in connection with such notice or order and/or by reason of or in connection with the failure of the Vendors to perform the provisions under this Clause. The Vendors undertake to the Purchaser that the Vendors shall forthwith notify the Purchaser in writing if any of the Vendors should receive or become aware of any such notice or order from any Government or any other competent authority or the manager or management committee of the Building. This Clause shall survive completion of the sale and purchase herein.

- 26. Subject to the lease back arrangement as referred to in Clause 27 below, vacant possession of the Properties shall be delivered to the Purchaser upon Completion.
- The Vendors (or other company(ies) within the same group) (for the purpose of this 27. Clause, the "Tenant") shall lease back the Properties, and the Purchaser shall grant a lease in respect of the Properties, for a term commencing on the date of Completion and ending on 31 March 2023 at a rent of HK\$651,069.00 per month (exclusive of management fees, rates and Government rent) on conditions that (a) the Tenant shall deliver a tenancy agreement (substantially in the form attached hereto) (the "Tenancy Agreement") duly executed by the Tenant and attested together with the payments as requested by the Purchaser for such tenancy and the relevant Board Minutes of the Tenant approving the tenancy and authorising the signatory(ies) to sign the Tenancy Agreement to the Purchaser as landlord on the Completion Date; and (b) the Tenant shall deliver a Corporate Guarantee given by Tsui Wah in favour of the Purchaser as landlord under the Tenancy Agreement for securing the due observance and performance of all the terms and conditions to be observed and performed by the Tenant under the Tenancy Agreement (the "Corporate Guarantee"), which form shall be solely determined by the Purchaser duly executed by Tsui Wah and attested together with the relevant legal opinion (substantially in the form attached hereto) issued by the lawyers practising in Cayman Islands certifying the due execution of the Corporate Guarantee by Tsui Wah in accordance with the laws of Cayman Islands and the memorandum and articles of association of Tsui Wah on the Completion Date.
- 28. (a) The Properties are now mortgaged or charged by the Vendors to the existing Mortgagee/Legal Chargee named in Schedule 6 hereto under the Mortgage (the "Mortgagee"). The Vendors shall discharge the Properties from the Mortgage at their sole expense on or before Completion to the intent that the Properties shall be sold free from the Mortgage.
 - i. The Vendors shall also pay all legal costs and registration and filing fees of such release/discharge and/or any charges, costs or fees as a result of the same being stopped, withheld or rejected from registration or filing at the Land Registry or the Companies Registry.
 - ii. If the release/discharge shall be executed by the Mortgagee by its lawful attorney, the Vendors shall at their own costs and expenses supply to the Purchaser a certified copy of the relevant power of attorney and if such power of attorney was executed more than 12 months before the date of

the relevant release/discharge, the Vendors shall at their own costs make and supply to the Purchaser a certified copy confirmation letter from the Mortgagee that such power of attorney has not been revoked and is still valid at time of execution of the release/discharge.

- iii. If the release/discharge and/or the relevant power of attorney is/are executed under common seal of the Mortgagee, the Vendors shall at their own costs and expenses supply to the Purchaser a certified true copy of the extracts from the Articles of Association of the Mortgagee showing the sealing provision applicable as at the date of the release/discharge and/or the power of attorney and a certified copy of the relevant board minutes/resolutions of the Mortgagee authorising execution of the release/discharge and/or the power of attorney specifying the mode of execution in question which must be in accordance with the said sealing provision.
- 29. Notwithstanding anything herein provided, if the date fixed for completion of the sale and purchase of the Properties and/or any of the date(s) stipulated for payment herein shall fall on a day which is not a business day (defined in this Agreement as a day (other than a Saturday ,Sunday or public holiday) on which banks are open for general business in Hong Kong) or shall fall on a day on which typhoon signal No.8 or above is hoisted or the black rainstorm warning signal is issued in Hong Kong at any time between 9:00 a.m. to 5:00 p.m., such date for completion or date(s) of payment (as the case may be) shall automatically be postponed to the next business day or such next succeeding day on which no typhoon signal No.8 or above is hoisted or black rainstorm warning signal is issued (as the case may be).
- 30. (a) In respect of the payment of Deposit, the Purchaser shall deliver to the Vendors' Solicitors on signing of this Agreement, a cashier order issued by a licensed bank in Hong Kong and/or a solicitors' cheque payable in favour of the Vendors' Solicitors so as to enable them to hold the Deposit as stakeholders pursuant to the terms of this Agreement.
 - (b) In respect of the payment of the balance of Purchase Price, the Purchaser shall deliver to the Vendors' Solicitors on Completion, a cashier order issued by a licensed bank in Hong Kong and/or a solicitors' cheque payable in favour of the Vendors and/or the Mortgagee for the relevant amount.
 - (c) Where the Purchase Price or any part thereof is required to be applied by the Vendors to discharge an existing mortgage, charge or incumbrance, or to pay the Vendors' Solicitors' costs or any person(s) who will be a party to the Assignment on Completion, the Vendors or the Vendors' Solicitors shall give the Purchaser or the Purchaser's Solicitors at least five (5) business days' prior notice in writing, to require the Purchaser to split such payment and the Purchaser is entitled to deliver to the Vendors' Solicitors one or more cashier order(s) and/or solicitors' cheque(s) issued in favour of the person(s) or party/parties entitled to such payment(s) and a separate cashier order or solicitors' cheque in favour of the Vendors or the Vendors' Solicitors for the balance.
- 31. The Vendors shall permit inspection of the Vacant Properties:

- (a) three times, prior to Completion, by the Purchaser, the Purchaser's proposed mortgagee and/or its valuer provided that reasonable prior notice has been given by the Purchaser to the Vendors; and
- (b) once, on or immediately prior to Completion, by the Purchaser upon Completion.
- 32. The Vendors hereby covenants with the Purchaser that upon and after the signing of this Agreement by the Vendors, the Vendors shall not further mortgage, charge, let, underlet, lease or otherwise dispose of or part with possession or make any arrangement for the sharing of the Properties or any part or interest thereof or therein (save for the use and occupation of Tsui Wah and its other subsidiaries), or cause or permit any encumbrances to be effected on the Properties or any part or interest thereof or therein or enter into any agreement so to do.
- 33. Notwithstanding anything herein to the contrary, if there is a petition or proceeding by any third party(ies) for winding up or liquidation of or a winding up order is made against any of the Vendors on or before Completion, the Purchaser shall be entitled to rescind this Agreement by giving written notice to the Vendors whereupon the Purchaser is entitled to an immediate return of all the Deposit but without costs or compensation and, if that return is made within 7 days, without interest and subject to this, neither party shall have any claim or cause of action against the other.
- The Vendors warrant that, as at the date of this Agreement, there is no existing 34. application to the governmental department for change or waiver of user of the Properties prescribed under the Government Grant governing the Properties and based on the Vendors' reasonable due diligence, enquiries and investigation of the existing user of the Properties and/or any matter(s) / issue(s) relating thereto, each of the Vendors is not aware of there being any breach of the conditions in respect of the user prescribed under the Government Grant, Occupation Permit, Deed of Mutual Covenant and Management Agreement (as defined in Schedule 2 hereto) and/or the Buildings Ordinance (the "User Conditions"). The Vendors hereby declare that the Vendors have not received and are not aware of any letter notice or order from the Government or any other competent authority or the manager or management committee of the Building in respect of any breach of the User Conditions. The Vendors undertake to the Purchaser that (i) the Vendors shall forthwith notify the Purchaser in writing if any of the Vendors should receive or is aware of any such letter notice or order from any Government or any other competent authority or the manager or management committee of the Building, which shall be issued or served on or before 31 March 2023; and (ii) the Vendors shall take immediate appropriate steps to rectify such breach at the Vendors' costs and expenses. For the avoidance of doubt, any breach of this Clause shall not entitle the Purchaser to rescind this Agreement.
- The Purchaser acknowledges that, prior to the entering into of this Agreement, the Vendors have had provided the Purchaser with the information/document(s)/plan(s) in respect of the Properties as listed in the Schedule 7 hereto "Delivered Documents"). The Vendors shall attend all reasonable queries raised or to be raised by the Purchaser on the Delivered Documents and shall provide the Purchaser with such further information / document(s) / plan(s) which are within the knowledge of the Vendors

- and/or in the possession of the Vendors as may be reasonably required by the Purchaser after Completion. This Clause shall survive Completion. For the avoidance of doubt, any breach of this Clause shall not entitle the Purchaser to rescind this Agreement.
- 36. (a) If all the directors of the Vendors (or sufficient number of them so that a quorum at a directors' meeting cannot be constituted) are being subject to hospital confinement in relation to coronavirus or isolated or (if appropriate) quarantined under the provisions of the Prevention and Control of Disease Ordinance (Cap.599) or other similar legislations and regulations (as the case may be) within the past three (3) business days immediately before the original completion date or on the original completion date (as the case may be), then the Vendors shall notify the Purchaser as soon as practicable and the date of completion of the sale and purchase of the Properties shall be postponed to a date which is seven (7) business days immediately after the date when all directors of the Vendors (or sufficient number of them to constitute a quorum at a directors' meeting) are discharged from the hospital or are no longer required to be so isolated or quarantined (as the case may be).
 - If the Purchaser (or in the case of a corporation the sole director or all directors (b) of the corporation or sufficient number of them so that a quorum at a directors' meeting cannot be constituted, or the sole authorised signatory or all the authorised signatories of the bank account of the corporation from which bank account fund is to be drawn for payment of any part of the Purchase Price or sufficient number of them so that the relevant requirement of number of authorised signatories of the said bank account cannot be met) is/are being subject to hospital confinement in relation to coronavirus or isolated or (if appropriate) quarantined under the provisions of the Prevention and Control of Disease Ordinance (Cap.599) or other similar legislations and regulations (as the case may be) (i) within the past three (3) business days immediately before the original date of payment of any part of the Purchase Price or on the original date of payment thereof (as the case may be); or (ii) within the past three (3) business days immediately before the original completion date or on the original completion date (as the case may be), then the Purchaser shall notify the Vendors as soon as practicable and the date of payment of such part of the Purchase Price or the date of completion of the sale and purchase of the Properties (as the case may be) shall be postponed to a date which is seven business days immediately after the date when the Purchaser (or in the case of a corporation the sole director or all directors of the corporation or sufficient number of them to constitute a quorum at a directors' meeting, and the sole authorised signatory or all the authorised signatories of the bank account of the corporation from which bank account fund is to be drawn for payment of such part of the Purchase Price of the Properties or sufficient number of them to meet the relevant requirement of number of authorised signatories of the said bank account) is/are discharged from the hospital or is/are no longer required to be so isolated or quarantined (as the case may be).
 - (c) If the offices of the Vendors' Solicitors or the Purchaser's Solicitors are required by the relevant authority to be closed on the original date of payment of any part of the Purchase Price or the original completion date (as the case may be) in relation to coronavirus, then the date of payment of such part of the Purchase Price or the date of completion of the sale and purchase of the Properties (as the case may be) shall be postponed to a date which is seven (7) business days immediately after the date when their offices are permitted to be re-opened. If the said offices remain closed for a period

of more than seven (7) business days, then the Vendors or the Purchaser whose solicitors have closed their office should use their best endeavours to instruct another solicitor so that payment or Completion (as the case may be) can take place within fifteen (15) business days of the original date of payment or the original completion date (as the case may be).

- 37. The Vendors and the Purchaser do not intend any term of this Agreement to be enforceable by any person who is not a party to this Agreement pursuant to the Contracts (Rights of Third Parties) Ordinance (Cap.623) (the "CRTPO") and agree that this Agreement shall be excluded from the application of the CRTPO.
- 38. This Agreement sets out the full agreement between the parties hereto and supersedes any other commitments, agreements, warranties or understandings, written or verbal, that the parties hereto may have had with respect to the subject matter of this Agreement.
- 39. (a) It is hereby declared that (if the context permits or requires) the singular number shall include the plural and the masculine feminine and neuter genders shall include the others of them.
 - (b) In this Agreement, unless the context otherwise requires, the expression the "Vendors" and/or the "Purchaser" and/or the "Controlling Shareholder" wherever used shall (if the context so permits or requires) in the case of an individual include the person specifically named and his executors, administrators and assigns and in the case of a company or corporation include the company or corporation specifically named and its successors and assigns and in the case of persons holding as tenants in common include the persons specifically named and any of them and their respective executors administrators and assigns and in the case of persons holding as joint tenants include the persons specifically named and the survivors or survivor of them and the executors and administrators of such survivor and his or their assigns.
 - (c) All agreements, covenants, conditions and obligations made and/or given by the Vendors in this Agreement shall be deemed to be made and/or given by Vendor 1 and Vendor 2 jointly and severally.
- 40. Each party hereto hereby warrants and represents to and undertakes with the other that the information specified in Schedule 5 hereto is in all respects accurate insofar as within the knowledge of such party.

In Witness Whereof the parties hereto have duly executed this Agreement the day and year first above written.

Parties to this Agreement

Part I

The Vendors

- (1) **CORPORATE WINNER LIMITED** (洲永有限公司) (Business Registration No.61758098) whose registered office is situate at Room 1606-1608, 16th Floor, Riley House, No.88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong (the "**Vendor** 1")
- (2) **ENRICH SOURCES LIMITED** (彩沃有限公司) (Business Registration No.62087852) whose registered office is situate at Room 1606-1608, 16th Floor, Riley House, No.88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong (the "**Vendor 2**")

Part II

The Purchaser

Name: CHINA RESOURCES PURCHASING GODOWN

COMPANY LIMITED (華潤採購倉儲有限公司)

Registered Office: 37th Floor, China Resources Building, No.26 Harbour Road,

Wanchai, Hong Kong

Business Registration No.: 15911084

Solicitors acting for the Purchaser in purchase of the Properties:

P. C. Woo & Co. (the "Purchaser's Solicitors")

Part III

The Controlling Shareholder

CUI FA LIMITED, a company incorporated in the British Virgin Islands with limited liability whose registered office is situate at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands, holding 770,092,000 shares of Tsui Wah, representing approximately 54.57% of the entire issued share capital of Tsui Wah

Process agent: Tsui Wah Holdings Limited

Address: Room 1606-1608, 16/F, Riley House, 88 Lei Muk Road, Kwai Chung, New

Territories, Hong Kong.

(Clause 1 hereof refers)

The Properties

Part 1

Property 1

ALL THOSE 33,928 equal undivided 944,862nd parts or shares of and in ALL THAT piece or parcel of ground registered in the Land Registry as LOT NO.937 IN DEMARCATION DISTRICT NO.450 (the "Lot") And of and in the messuages erections and buildings thereon now known as "RILEY HOUSE (達利中心)" at No.88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong (the "Building") TOGETHER with the sole and exclusive right and privilege to hold use occupy and enjoy ALL THOSE UNITS NOS.1601, 1602, 1603, 1604, 1605, 1606, 1607 and 1608 on the SIXTEENTH FLOOR of the Building and subject to and with the benefit of a Deed of Mutual Covenant and Management Agreement registered in the Land Registry by Memorial No.TW862882.

Part 2

Property 2

ALL THOSE 16,309 equal undivided 944,862nd parts or shares of and in ALL THAT piece or parcel of ground registered in the Land Registry as LOT NO.937 IN DEMARCATION DISTRICT NO.450 (the "Lot") And of and in the messuages erections and buildings thereon now known as "RILEY HOUSE (達利中心)" at No.88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong TOGETHER with the sole and exclusive right and privilege to hold use occupy and enjoy ALL THOSE UNITS NOS.1701, 1702, 1703 and 1704 on the SEVENTEENTH FLOOR of the Building and subject to and with the benefit of a Deed of Mutual Covenant and Management Agreement registered in the Land Registry by Memorial No.TW862882.

Part I

(Clause 2 hereof refers)

Purchase Price and Manner of Payment

The Purchase Price of the Properties mentioned in Clause 2 hereof shall be HONG KONG DOLLARS TWO HUNDRED SIXTY FOUR MILLION FORTY FOUR THOUSAND SIX HUNDRED AND FIFTY (HK\$264,044,650.00) and shall be paid by the Purchaser to the Vendors or the Vendors' Solicitors (as the case maybe) in the following manner:-

(1) HK\$26,404,465.00	being the deposit (the " Peposit ") to be paid by the Purchaser to the Vendors' Solicitors on the date of signing of this Agreement (receipt whereof the Vendors' Solicitors hereby acknowledges).
(2) HK\$237,640,185.00	being the balance of Purchase Price shall be paid by the Purchaser to the Vendors on Completion Date.

The Deposit shall be held by the Vendors' Solicitors as stakeholders upon the following terms and conditions:

- (a) the Deposit shall not be released to the Vendors until Completion;
- (b) the Deposit shall be refunded and released to the Purchaser upon demand by the Purchaser when the Purchaser is entitled to the return of the Deposit pursuant to the terms of this Agreement; and
- (c) the Deposit shall be released to the Vendors when the Vendors exercise their respective right to forfeit the Deposit pursuant to the terms of this Agreement.

Part II

(Clause 3 hereof refers)

The Completion Date

On or before the 14th day of July 2022.

(Clause 11 hereof refers)

Vendor's capacity

Vendor 1 shall assign the Property 1, and Vendor 2 shall assign the Property 2, in the capacity as Beneficial Owner in accordance with the provisions of this Agreement.

Schedule 5 (Clause 23 hereof refers)

Information included for the purposes of Section 29B(1) of the Stamp Duty Ordinance (Cap.117).

- (A) The Vendor's name: see Schedule 1. The Purchaser's name: see Schedule 1.
- (B) The Vendor's Identification No.: not applicable. The Purchaser's Identification No.: not applicable.
- (C) Where either party is not an individual but is registered under the Business Registration Ordinance.
 The Vendor's Business Registration No.: see Schedule 1.
 The Purchaser's Business Registration No.: see Schedule 1.
- (D) Description and location of the Properties: see Schedule 2.
- (E) The Properties comprise non-residential property within the meanings of Section 29A(1) of the Stamp Duty Ordinance (Cap.117).
- (F) The date of this Agreement: see page 1.
- (G) The date of any preceding unwritten sale agreement or agreement for sale made between the same parties on the same terms:

 Nil
- (H) The date of the Conveyance on Sale:
 The parties have agreed the Completion Date specified in Part II of Schedule 3 as the agreed date for the conveyance on sale pursuant to this Agreement.
- (I) The agreed consideration:
 There is an agreed consideration for the conveyance on sale that is to, or may, take place pursuant to this Agreement and the amount or value of the agreed consideration is stated in Part I of Schedule 3.
- (J) Amount or value of any other consideration which each person executing the document knows has been paid or given or has been agreed to be paid or given to any person for or in connection with the agreement for sale or any conveyance

on sale (excluding legal expenses and estate agents' commission):

Other consideration payable by the Vendor: N/A Other consideration payable by the Purchaser: N/A

(Clauses 5 and 28 hereof refer)

The Mortgage

Name of Document	<u>Mortgagee</u>	Land Registry Memorial Number
Mortgage	DBS Bank (Hong Kong) Limited	17121800760060 (created by Vendor 1)
Mortgage	DBS Bank (Hong Kong) Limited	17121800760021 and 17121800760049 (created by Vendor 2)

Schedule 7 (Clause 35 hereof refers)

The Delivered Documents

Delivered Documents (Riley House)		
1	Floor Plan of 14/F to 22/F	
2	達利平面圖	
3	16/F - Layout Plan (寫字樓冷氣風圖)	
4	Part Plan of 16/F approved by the Director of Food and Environmental Hygiene	
5	Layout Plan of the Staircase approved by Buildings Department	
6	Food Factory Layout Plans	
7	Office Layout Plan	
8	A/C & Ventilation Layout Plan approved by the Director of Food and Environmental	
	Hygiene	

Solicito MASON CHI	For and on behalf of CORPORATE WINNER LIMITED 有限可能的 Authorized Signature(s) See Yuen Ting r, Hong Kong SAR NG & ASSOCIATES Hong Kong SAR
SIGNED by LEE KUN LW KEVJI for and on behalf of Vendor 2 whose signature is verified by:) For and on behalf of ENRICH SOURCES LIMITED
Solicitor, MASON CHI	Yuen Ting Hong Kong SAR NG & ASSOCIATES Hong Kong SAR

RECEIVED on the day and year first above written of and from the Purchaser the Deposit in the sum of **HK\$26,404,465.00** to be paid by the Purchaser to the Vendor.

Vendors' Solicitors as Stakeholders

Mason China & ASL

SIGNED by Mr. Chan Wai Keung
Stephen, its authorised person
for and on behalf of the Purchaser in the
presence of:-

TANG CHUI YING Solicitor, Hong Kong SAR P. C. Woo & Co. A S

CHINA RESOURCES LOGISTICS (PAK SIK ENTERPRISES) LIMITED (華潤物流 (百適企業) 有限公司) (as agent and lawful attorney of CHINA RESOURCES PURCHASING GODOWN COMPANY LIMITED (華潤採購倉儲有限公司))

and

[to be confirmed]

TENANCY AGREEMENT

o f

ALL THOSE the WHOLE of SIXTEENTH FLOOR and the UNITS 01-04 of SEVENTEEN FLOOR of RILEY HOUSE, No.88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong

TSANG, CHAN & WONG, SOLICITORS & NOTARIES, OFFICE 803B, 8TH FLOOR, TOWER I, 18 HARCOURT ROAD, ADMIRALTY, HONG KONG.

Ref: CRL/159893/22/C/TC/lm

BETWEEN the Landlord whose name address or registered office and description are set out in Part I of the First Schedule hereto (hereinafter called "the Landlord" which expression where the context so admits shall include its successors and assigns) of the one part and the Tenant whose name address or registered office and description are set out in Part II of the First Schedule hereto (hereinafter called "the Tenant") of the other part.

WHEREBY IT IS HEREBY MUTUALLY AGREED by and between the parties hereto as follows:-

The Landlord shall let and the Tenant shall take at the existing state of repair and 1. condition on "as is" all that the Premises set out in the Second Schedule hereto (hereinafter called "the Premises") together with the Landlord's fixtures and fittings (if any) Together with the use in common with the Landlord and others having the like right of the water closets lavatories and conveniences on the same floor of the building of which the Premises form part (hereinafter called "the Building") and Together with the right for the Tenant its servants and licensees (in common with the Landlord and others having the like right) at all times and for all purposes connected with the use of the Premises to pass up down over and along the entrances staircases corridors and passages and to use the passenger lift (during such hours as the same shall be working) for the purpose of access to and from the Premises and Together with the right for the Tenant and its servants (in common with others having the like right) to use the freight/cargo lifts (during such hours as the same shall be working) for the purpose of conveying goods merchandise and raw materials to and from the Premises Provided That such rights of the Tenant to use the common area and facilities are necessary for the proper use and enjoyment of the Premises and/or subject to the rules and regulations prescribed by the Manager of the Building (hereinafter called "the Manager") for such use and subject to the right of the Manager to change the number of lifts with access to the floor of which the Premises situate if such change is in the absolute discretion of the Manager in the best interest of the efficiency of the Building and subject to such changes and fees as so provided therein for the term set out in Part III of the First Schedule hereto (hereinafter called "the Term") at the rent set out in Part IV of the First Schedule hereto payable monthly in advance without any deduction or set-off whatsoever, with the first of such payments to be paid on the commencement of the tenancy hereby created.

- 2. The Tenant to the intent that the obligations may continue throughout the term of tenancy created hereby agrees with the Landlord in the manner as follows:-
 - (a) To pay the rent and the other charges and outgoings hereby reserved (except those of a capital and non-recurring nature) on the days and in the manner herein provided for payment therefor without any set-off (legal and equitable) or deduction whatsoever.
 - To pay and discharge punctually all existing and future rates and (b) Government rent as set out in Part V of the First Schedule hereto which shall be payable quarterly in advance, with the first of such payments to be paid on the commencement of the tenancy hereby created, taxes, assessments, duties, charges, impositions, utility charges, water and electricity and other outgoings (except those of a capital and non-recurring nature) (Property tax excepted). Without prejudice to the generality of this Sub-Clause, the Tenant shall within fourteen (14) days of receipt by the Landlord or the Tenant of a demand for rates and Government rent from The Government of the Hong Kong Special Administrative Region (hereinafter called "the Government") pay all rates and Government rent imposed on the Premises in the first place to the Landlord who shall settle the same with the Government and in the event of the Premises not yet having been assessed to rates and Government rent the Landlord shall be at liberty to make an interim valuation thereof and to debit the Tenant with the reasonable amount which would be payable upon such interim valuation and the same shall forthwith be paid by the Tenant to the Landlord and any over-payment or under-payment by the Tenant on such interim valuation shall be adjusted when a valuation under the Rating Ordinance shall have been made by the relevant authority. If at any time during the continuance of this tenancy the rates and Government rent imposed in respect of the Premises shall be increased, every such increase shall be borne by the Tenant absolutely.
 - (c) To pay and discharge all Management fees as set out in Part V of the

First Schedule hereto, with the first of such payments to be paid on the commencement of the tenancy hereby created and all charges in respect of water electricity gas consumed in or upon the Premises and to pay all maintenance and charges (save and except those of a capital nature) payable by the owner or occupier of the Premises pursuant to or by virtue of the Deed of Mutual Covenant and Management Agreement (if any) relating to the Premises or as determined by the Manager for the time being of the Building (hereinafter called "Management Fees")Provided always that the Landlord or the Manager shall be entitled from time to time to increase the management charges payable by the Tenant in respect of the Premises by serving prior written notice of such increase and such increase shall take effect upon the expiry of such notice.

- (d) At its own expenses to keep maintain and repair the interior of the Premises including the flooring and all fixtures thereto, all doors, windows, drains, sewage system, water pipes and appliances, air-conditioning duct(s), fan-coil unit(s) and other installation(s), electrical installations and wiring electricity cables meters and appliances and all gas pipes meters and appliances of and in the Premises or exclusively serving the Premises and interior plaster or other finishes or rendering to doors, walls, floors and ceilings in complete tenantable safe repair and condition throughout the term hereby created and to carry out any works required by the relevant utility company and Government authorities and for that purpose to use a contractor approved by the Landlord (such approval shall not be unreasonably withheld) and to indemnify the Landlord and its tenants against all liability in respect of a breach of this provision.
- (e) To paint and whitewash the internal parts of the Premises or any part thereof whenever required by the Government authorities so to do.
- (f) To repair or replace any electrical installation or wiring of and in the Premises if the same becomes dangerous or if so reasonably required by

the Landlord or by the appropriate electricity supply company and in so doing the Tenant shall only use a licensed contractor for that purpose. The Tenant shall permit the Landlord's agent to test the Tenant's wiring in the Premises at any time upon prior reasonable notice being given.

- (g) To be responsible for any damage caused to the Building or to the Landlord or its tenants by the bursting overflowing or obstruction of any part of the lavatories water or sanitary appliances or fittings or drains, sewage system and pipes in or serving the Premises as a result of the Tenant's default, negligence or misuse of the said lavatories water or sanitary appliances or fittings or drains, sewage system and pipes.
- (h) To reimburse to the Landlord the cost of replacing all broken or damaged windows and/or glass panels of and in the Premises whether or not the same be broken or damaged by the negligence of the Tenant.
- (i) To pay to the Landlord on demand all reasonable costs incurred by the Landlord in cleansing or clearing any of the drains, sewage system, pipes or sanitary or plumbing apparatus choked or stopped up owing to the careless or improper use or neglect by the Tenant or any employee, agent or licensee of the Tenant.
- (j) To obey comply with and indemnify the Landlord against the breach of all ordinances, regulations, bye-laws, rules and requirements of any Governmental or other competent authority relating to the conduct and carrying on of the Tenant's business and/or activities at the Premises or any other act, deed, matter or thing done, permitted, suffered or omitted therein or thereon by the Tenant or any employee, agent or licensee of the Tenant.
- (k) To comply with such rules and regulations as the Landlord or the Manager for the time being of the Building may from time to time make in connection with the industrial refuse chutes in the Building.
- (l) To observe and comply with all directions and orders of the Fire Services Department and if such directions and orders shall require the Tenant to take fire precautions or install fire fighting equipment

(additional to that installed by the Landlord) the Tenant shall forthwith at its own expense procure and install the same.

- (m) At its own costs and expenses, to fit out the interior of the Premises in a proper and workmanlike manner in accordance with such plans and specifications as shall have been first approved by the Landlord in writing (such approval shall not be unreasonably withheld or delayed) and comply with the Fitting Out Rules provided by the Landlord and any other fitting out rules that may be prescribed by the Manager and without prejudice to the generality of the foregoing, to ensure that the common areas within the Building or any part thereof will not be injured or damaged in any way by the Tenant itself or its contractors sub-contractors agents or servants in carrying out the fitting out works of the Premises.
- (n) Save for such alterations or additions which exist prior to the commencement date of the Term, not without the previous written consent of the Landlord (such consent shall not be unreasonably withheld or delayed) to make any alterations or additions to the Premises or any part thereof or erect, install, remove or alter any fixture, partitioning or other erection or installation in the Premises or any part thereof including in particular the fixtures, machinery, meters and switchboards in the Premises or in the transformer room thereof or without the like consent to make or permit or suffer to be made alterations in or additions to the electrical wiring and installations or to install or permit or suffer to be installed any equipment, apparatus or machinery which imposes a weight on any part of the flooring in excess of that for which it is designed or which requires any additional electrical main wiring or which consumes electricity not metered through the Tenant's separate meter and not to suspend or permit or suffer to be suspended any excessive weight from any structure of the Premises Provided that the consent of the Landlord may be given subject to such conditions as the Landlord may in its absolute discretion

impose and the Tenant shall:-

- (i) forthwith at the request of the Landlord make good any such wall partition fixture installation or other part injured cut or maimed;
- (ii) forthwith at the request of the Landlord demolish and remove any alteration or addition made in breach of this Agreement and restore the Premises to their previous condition at the Tenant's own cost and expense to the satisfaction of the Landlord;
- (iii) save for such alterations or additions which exist prior to the commencement date of the Term, at the expiration or sooner determination of the tenancy at the Tenant's own cost reinstate and restore the same to the plan and design as if such addition or alteration (or such of them as may be specified by the Landlord) had not been made and make good all damage thereto to the satisfaction of the Landlord.
- Save for such alterations or additions which exist prior to the (0)commencement date of the Term, not to make or permit any alterations or additions to be made in or to the Premises, not to pull down, alter or remove any portions of the doors windows main or load-bearing walls beams floors or fitting thereof nor to make any alterations in the architectural features or facings or any installation or fixture so as to affect or be likely to affect the supply of water, electricity, gas or other utility services, not to install any air-conditioning unit, apparatus or machinery or fans nor cut maim or injure nor suffer to be cut maimed or injured any floors windows walls partitions or fittings thereof without the previous consent in writing of the Landlord which shall not be unreasonably withheld and to keep and maintain and if necessary, replace every part thereof (including the windows) with the fixtures and additions thereto and all the electricity wirings and cables or other installations water gas or other utilities pipes, sewers, sewage system

and telephone lines solely and exclusively serving the Premises in good and tenantable repair (reasonable wear and tear excepted) and in such repair to yield up the Premises at the determination of the term.

- (p) Not to cut maim or injure or permit or suffer to be cut maimed or injured any doors, windows, walls, beams, structural members or any part of the fabric of the Premises or any of the plumbing or sanitary apparatus or installation included therein.
- (q) Not to permit or suffer to be erected affixed installed or attached in or on or at the door or doors or entrance or entrances of the Premises any metal grille or shutter or gate which shall in any way contravene the regulations of the Fire Services Department or other competent authority concerned from time to time in force and such metal grille or shutter or gate shall be of such design and material as shall be approved by the Manager and the relevant government department or authority.
- (r) Not to place in any freight lift any heavy machinery goods raw materials or articles which may cause the permitted carrying capacity of that lift to be exceeded.
- (s) At its own expense to make good any damages caused to any freight lifts through careless loading or discharging of machinery goods raw materials or articles into or from such lifts or through over-loading the same beyond the permitted carrying capacity thereof.
- (t) Not to use or permit to be used the passenger lift of the Building for the purpose of carrying any furniture or goods or heavy articles (the Landlord having provided freight/cargo lifts for such purpose), and to observe the regulations affecting the use of all lifts as indicated therein or intimated by the Landlord or the Manager for the time being of the Building or its agents from time to time.
- (u) Not to do or permit to be done in or upon the Premises or any part thereof anything which may be or become a nuisance or cause annoyance inconvenience damage or disturbance to the Landlord or to any of the tenants or occupiers of any other portion of the Building or of

other property in the neighbourhood or in any way affect the reputation of the Building or be contrary to the laws or regulations of Hong Kong.

- (v) Not to use or permit the Premises or any part thereof to be used for any illegal unlicensed or immoral purpose or for any offensive noxious or unhealthy manufacturing process which in the reasonable opinion of the Manager should be prohibited from being carried on in the Building or any part thereof. For the purpose of determining whether the Tenant is in breach of this covenant, a conviction by a Court of competent jurisdiction of any person found in or relating to the Premises or any part thereof shall be conclusive evidence and the knowledge of the Tenant as to whether or not the Premises or any part thereof has been used for illegal unlicensed or immoral purpose shall be immaterial.
- (w) Not to keep or store or permit to be kept or stored in or upon the Premises any arms, ammunition, gun-powder, salt-petre, kerosene or other offensive, inflammable, hazardous, explosive and/or dangerous or prohibited goods or materials within the meaning of the Dangerous Goods Ordinance (Cap.295) and the regulation made thereunder or raw food or for manufacturing of goods or articles except as approved by the appropriate Government Department and by the Landlord and to obey and comply with and be answerable for and to indemnify the Landlord against the consequence of any breach of local Ordinances and Regulations by the Tenant and all occupiers and inmates of the Premises or persons visiting or using the same with the consent of the Tenant expressed or implied.
- (x) Not to keep any birds or live stock of any description or any noxious goods or articles on the Premises and to take all such reasonable steps and precautions to prevent the Premises or any part thereof from becoming infested by termites, rats, mice roaches or any other pests or vermin. The Tenant shall employ at the Tenant's cost such pest extermination contractors as the Landlord may require and at such intervals as the Landlord may direct.

- (y) Subject to Clause 8, not to prepare or permit to be prepared any food in the Premises.
- Not to place or store or permit so to be done any boxes, dust bins, articles or things or cause obstruction in the loading and unloading spaces staircases landings corridors passage ways or common parts of the Building or in any place which is not hereby exclusively let to the Tenant or to use or cause to be used the same for the purpose of drying laundry or hanging anything therein or thereon.
- (aa) To mount and equip machinery particularly machinery with horizontal reciprocating action and every part thereof with anti-vibration absorbers and anti-dumping absorbers of such types and designs as first approved of in writing by the Landlord and to comply with all directions or orders of the Landlord for eliminating and reducing vibration and dumping produced by the operating and running of any of the machinery installed at the Premises.
- (ab) Not to hold or to permit or suffer any sale by auction to be held upon the Premises without the prior express permission of the Landlord in writing.
- (ac) Not to do or cause to be done or suffer or permit any act deed matter or thing whatsoever in contravention of any of the restrictions or prohibitions imposed by any appropriate Government Authority or any trade that is now or may hereafter be declared an offensive trade by any Government Authority.
- (ad) To observe and perform and not to contravene any of the terms, covenants and conditions of negative nature contained in the Government Lease or the Conditions of Sale, Exchange or Regrant as the case may be under which the Premises are held from the Government.
- (ae) Not to use or permit or suffer to be used the Premises or any part thereof as sleeping quarters or otherwise as domestic premises within the meaning of the Landlord and Tenant (Consolidation) Ordinance or

similar legislation for the time being in force and not to allow any person to remain on the Premises overnight except (with the Landlord's prior written consent) the Tenant's night watchman.

- (af) Not to do or cause to be done or suffer or permit any act deed matter or thing whatsoever which shall amount to a breach or non-observance of the covenants terms and provisions in the Deed of Mutual Covenant and Management Agreement (if any) relating to the Building so far as they relate to the occupation of the Premises and to indemnify the Landlord against the breach non-observance or non-performance thereof.
- (ag) Not to do or cause or permit or suffer to be done any act or thing whereby any insurance of the Building against fire may be rendered void or voidable or whereby the premium for any such insurance may be liable to be increased, and to indemnify the Landlord against such increased or additional premium as shall have been brought about or caused by its or his act or default. In the event of the Premises or any Unit or other parts of and in the Building or any part or parts thereof being damaged or destroyed by fire at any time and the insurance money under any insurance against fire effected thereon being wholly or partially irrecoverable by reason solely or in part of the act or default of the Tenant or of its or his servants, agents or licensees then and in every such case the Tenant shall forthwith pay to the Landlord for the benefit of itself or the other Owners the whole or (as the case may require) a fair proportion of the cost of completely rebuilding or reinstating the same.
- (ah) Not to assign underlet sublet transfer license or otherwise part with the possession of the Premises or any part thereof or any interest therein in any way to any third party either by way of sub-letting lending sharing or other means whereby any organization company firm or person not a party to this Agreement (save for such organization company firm which is a subsidiary of Tsui Wah Holdings Limited) obtains the use or possession of the Premises or any part thereof irrespective of whether

any rental or other consideration is given for such use or possession and the Tenant hereby further agrees that in the event of any such transfer sub-letting sharing assignment or parting with the possession of the Premises or any part thereof (whether for monetary or other consideration or not) this Agreement shall at the option of the Landlord forthwith determine and the Tenant shall forthwith surrender the Premises to the Landlord with vacant possession on notice to that effect from the Landlord. This tenancy shall be personal to the Tenant named in this Agreement and without in any way limiting the generality of the foregoing, the following acts and events shall, unless approved in writing by the Landlord (which approval shall not be unreasonably withheld), be deemed to be breaches of this Clause:-

- (i) In the case of a tenant which is a partnership, the taking in of one or more new partners whether on the death or retirement of an existing partner or otherwise.
- (ii) In the case of a tenant which is a corporation, any take-over, reconstruction, amalgamation, merger, voluntary liquidation, appointment of receiver or change in the person who owns a majority of its voting shares or who otherwise has effective control thereof.
- (iii) The giving by the Tenant of a Power of Attorney or similar authority whereby the donee of the Power obtains the right to use, possess, occupy or enjoy the Premises or any part thereof or does in fact use, possess, occupy or enjoy the same.
- (iv) The change of the Tenant's business name without the previous written consent of the Landlord (such consent shall not be unreasonably withheld).
- (ai) Not to place or leave in the entrance of any of the passages of the Building used in common with other tenants of the Landlord or any part of the Building which is not hereby exclusively let to the Tenant any box furniture or rubbish or any articles or thing whatsoever or otherwise

obstruct the same.

- (aj) Not to allow any visitors, licensees or invitees of the Tenant to stand or queue up outside the Premises thereby causing an obstruction to the entrances stairways corridors and passages used in common with the other tenants of the Building.
- (ak) Not to damage or disfigure any structures fixtures, canopies decorations, installations outside the Premises including air-conditioning units, mail chutes, industrial refuse chutes, halls, passages, drainage wells, walls, ceilings, and to pay on demand to the Landlord the reasonable cost and expenses incurred by the Landlord in repairing or making good such damage or cleaning the same. No partitioning shall be erected or installed which does not leave clear access for the fire exits and no windows shall be wholly or partially blocked or the light and air therefrom in any way obstructed.
- (al) Not to enter into, alter, repair, connect to or in any other way interfere with or affect the working of the following common facilities (hereinafter called "the common facilities"):-
 - (i) such of the sewers, drains, water courses, pipes, cable ducts, telephone ducts, gutters, wells (if any), power transmission lines, wires and cables and other service facilities, whether ducted or otherwise, which are or at any time may be in, under or over or passing through the ceilings, floors and/or walls of the Building, through which water, sewage, gas, electricity, telephone and other services are supplied to the Building or any part or parts thereof;
 - (ii) the installations and facilities in the common areas intended for common use in the Building;
 - (iii) the sprinkler system (if any) including control valves, inlets and sprinkler annunciator panel, sand buckets, fire extinguishers, fire services inlets, fire service ducts, hose reels, railings, sump tanks, water tanks, pump tanks, rolling shutter,

fusible linked steel shutters, fence walls, cat ladders, air-cooled condenser (if any), exhaust air duct, windows and doors within the common areas, master television and satellite television aerial and reception, broadcasting apparatus and structures and any other installation and facilities in the Building installed for the use and benefit of the owners of the Building as a whole and not for the use and benefit of a particular owner or owners of any particular unit only; and

(iv) lightings and lighting fixture for common areas.

The common areas and the common facilities aforesaid of the Building shall at all times be under the exclusive management and control of the Manager who shall have full and unrestricted power to regulate and control the reasonable use thereof by the Tenant and its servants, agents, or licensees.

- Not to place on any part of the floor of the Premises any machinery (am) goods or merchandise which may cause the maximum floor load bearing capacity thereof to be exceeded and not to place or install any heavy machinery especially the moulding and weaving machines, goods or merchandise in the Premises unless with prior consent of the Manager, the Tenant shall submit to the Manager information relating to such placing and prove that the machinery, goods or merchandise to be installed do not exceed the static and live loading of the Premises to or on which the machinery, goods or merchandise are to be placed, and in the event of breach of this covenant the Tenant shall make good any damage caused thereby to the Premises or any other part of the Building or any fixtures and fittings therein whether belonging to the Landlord or a third party; provided that the making good of such damage as aforesaid shall be without prejudice to any further right competent to the Landlord by virtue of such breach including but not limited to the right of re-entry to the Premises.
- (an) Not to do anything on the Premises whereby excessive noise vibration

or resonance or other form of disturbance is created to the detriment of the Building or other manufacturing processes or other persons in or outside the Premises Provided that the determination of the Landlord and the Management Company or its agents as to whether any such noise vibration or resonance or other form of disturbance is excessive shall be conclusive; and Provided further that in the event of a breach hereof by the Tenant the Tenant shall make good any damage caused thereby to the Premises or any other part of the Building or to the manufacturing processes therein or to the occupants thereof or any fixtures and fittings therein whether belonging to the Landlord or a third party.

- (ao) To use the loading space only for the purpose of loading and discharging goods merchandise and raw materials and not to permit or suffer its servants or licensees to occupy in any part thereof or otherwise obstruct the use of such loading space.
- (ap) To be responsible for the satisfactory removal of all trade and other refuse from the Premises to the refuse disposal area of the Building or to such other place as the Landlord or the Manager may designate from time to time.
- (aq) To take all reasonable precautions to protect the interior of the Premises against damage by storm or typhoon or the like threats.
- (ar) To replace any broken or damaged windows and/or glass panels within and/or encompassing the Premises whether the same be broken or damaged by the negligence of the Tenant or owing to circumstances beyond the control of the Tenant.
- (as) To permit the Landlord or its agents with or without workmen and others at all reasonable times upon reasonable prior notice (except in case of emergency) to enter upon and examine the condition of the Premises with least disturbance to the Tenant's business and thereupon the Landlord may serve upon the Tenant a notice in writing specifying any repairs necessary to be done and which are the responsibility of the

Tenant under this Agreement and require the Tenant forthwith to execute the same and if the Tenant shall not within fourteen (14) days after service of such notice proceed diligently with the execution of such repairs then to permit the Landlord to enter upon the Premises and execute such repairs and the cost thereof shall be a debt due from the Tenant to the Landlord and be forthwith recoverable by action. In case of emergency, the Landlord and all persons authorized by him may enter the Premises without prior appointment and forcibly if need be should be circumstances so warrant and further provided that the Landlord and all persons authorized by him shall cause as little interference or disturbance to the Tenant and his use, occupation or enjoyment of the Premises as possible.

- (at) To allow the Landlord or its agents and workmen to enter upon the Premises at all reasonable times by giving three (3) business days' prior notice or the purpose of carrying out any cleaning or disinfectant works or for the purpose of carrying out such other repairs or installation works as may involve the removal of doors or windows or cause any damage to the walls, partitions, ceilings or fittings provided that the Landlord shall reinstate and make good such removal or damage on completion of the said works.
- (au) Except with the prior approval in writing of the Landlord and the Manager and in strict compliance with the Deed of Mutual Covenant in respect of the Building not to affix exhibit or put up or display or to permit or suffer to be affixed exhibited put up or displayed any signboard, sign, decoration, illuminated signs or other advertisement whatsoever inside or outside the Premises or on any door wall pier or window so that any such signboard, sign, decoration, illuminated sign or other thing whatsoever may be visible from outside the Building. The Landlord shall have absolute discretion in granting or refusing such approval and any approval to be granted shall be subject to such conditions as the Landlord may think fit. The Landlord shall have the

right to remove at the cost and expense of the Tenant any signboard sign, decoration, illuminated signs, poster or placard or other advertisement which shall be affixed exhibited put up or displayed without such prior approval of the Landlord.

- (av) To observe and comply with the house rules (if any) stipulated by the Landlord and/or the Manager and other regulations or requirements stated in notices or announcements from time to time made or issued by the Manager or its agents or the Landlord for the maintenance and management of the Building including the time and arrangement for operating the equipment, lifts, lighting and the use of entrance and passage ways.
- Not to use the Premises otherwise than the specific purpose set out in Part VI of the First Schedule hereto only, excluding any trade that is now or may hereafter be declared to be an offensive trade under the Public Health and Municipal Services Ordinance or any enactment amending or substituting the same, or for any purposes which is in contravention of the terms and conditions contained in the Government Grant or the Occupation Permit of the Building, but no warranty as to fitness of the Premises for the specific use as aforesaid is given or deemed to be given by the Landlord.
- (ax) Not to put up any signboard other than that set out in Part VII of the First Schedule hereto so long as the trade name used by the Tenant is related to the business of the Tenant being carried on in the Premises.
- (ay) Not to use or cause or permit the Premises or any part thereof to be used for domestic purposes or as a "Chai Tong" or similar establishment, a funeral parlour, coffin shop, temple or Buddhist hall for the performance of the ceremony known as "Ta Chai" or any similar ceremony.
- (az) To take all such necessary measures as may be required by and to the satisfaction of the Director of Environmental Protection to ensure that the operation of all plant and equipment installed or used on the

Premises will not cause any noise which unreasonably disturbs or annoys the residents or occupiers of any adjoining or neighbouring lot or Premises, or causes unreasonable disturbance to the general public.

- (ba) Not to allow any noxious dangerous poisonous or objectionable effluent to be discharged into the pipes drains or sewers and to take all such reasonable measures as may be necessary to ensure that any effluent so discharged will not be corrosive or otherwise harmful to the pipes drains or sewers or cause obstruction or deposit therein and not to do or suffer or permit to be done anything whereby the flushing or drainage system of the Building may be clogged or the efficient working thereof may be impaired.
- (bb) Not to connect to any aerial installation apparatus structures television and telecommunication and/or other equipment relating to the reception and/or broadcasting of cable or satellite television or otherwise (if any) installed by the Manager except with the permission of the Landlord and/or the Manager and in accordance with any House Rules relating to the same. The Tenant shall not affix or install its own private aerial installation apparatus structures television and telecommunication and/or other equipment relating to the reception and/or broadcasting of cable or satellite television or otherwise in and outside any part of the Premises without the prior written consent of the Landlord and/or Manager.
- (bc) Not to overload the electrical wiring or cables or apparatus associated therewith in or serving the Premises and to comply in all respects with all requirements and regulations of the supply authorities and/or Landlord and/or manager of the Building
- (bd) Upon the expiration or sooner determination of the Term to peacefully and quietly deliver up vacant possession of the Premises unto the Landlord on the same condition as the condition of the Premises on the commencement date of the Term (except for fair wear and tear) and to deliver all the keys of the Premises to the Landlord or its agent.

3. THE LANDLORD HEREBY AGREES WITH THE TENANT AS FOLLOWS:-

- (a) The Tenant (duly paying the rent and observing and performing the covenants and conditions herein contained) shall peacefully hold and enjoy the Premises during the Term without any interruption by the Landlord or any person lawfully claiming under or in trust for the Landlord.
- (b) To pay the Property tax in respect of the Premises during the Term.
- (c) To use its reasonable endeavours with all possible despatch to procure the Manager to keep the main drains, sewage system and pipes and main electrical conduits not within the Premises and all the exterior walls of the Building in a proper state of repair Provided that the Landlord shall not incur any liability under this Clause unless and until written notice of any defect or want of repair has been given to the Landlord by the Tenant and the Landlord has failed to take reasonable steps to repair or remedy the same after the lapse of a reasonable time.
 - (d) For the avoidance of doubt, notwithstanding anything contained in this Agreement, the Tenant shall only be required to deliver up vacant possession of the Premises unto the Landlord on the same condition as the condition of the Premises on the commencement date of the Term (except for fair wear and tear) and, in particular, the Tenant shall not be required to carry out any work (including any rectification, demolition, re-instatement or remedial works) in connection with the internal staircase (the "Staircase") in the Premises Provided That the Tenant shall use its best endeavours to render all assistance to the Landlord in relation to removal of the Staircase.

4. PROVIDED ALWAYS AND IT IS HEREBY EXPRESSLY AGREED AND DECLARED THAT:-

(a) (i) If and whenever the rent or other moneys payable to the Landlord hereunder or any part thereof shall be unpaid for fourteen (14) days after the same shall become payable (whether legally or formally demanded or not) or if the Tenant

shall fail or neglect to observe or perform or comply with any of the covenants agreements stipulations or conditions herein contained imposed expressed or implied and on the Tenant's part to be observed, performed and complied with and the Landlord has served a written notice on the Tenant requiring the same to be remedied and the Tenant fails to remedy the same within fourteen (14) days thereof notwithstanding the Landlord's written notice, or if the Tenant shall become the subject of a bankruptcy petition or being a corporation shall suffer the commencement of winding up proceedings against it or go into liquidation whether compulsory or voluntary (save for the purpose of amalgamation or reconstruction) or if the Tenant shall otherwise become insolvent or make any composition or arrangement with creditors or shall suffer any distress or execution to be levied on the Premises and/or the Landlord's fixtures or otherwise on the Tenant's goods, then and in any such case it shall be lawful for the Landlord at any time thereafter to re-enter on the Premises or any part thereof in the name of the whole whereupon this Lease shall absolutely cease and determine and the Deposit paid pursuant to Clause 4(o)(i) hereof shall be absolutely forfeited to the Landlord but without prejudice to any right of action by the Landlord to claim any loss and damages and in respect of any antecedent breach or non-observance or non-performance of any of the covenants agreements stipulations and conditions herein contained and on Tenant's part to be observed and Without prejudice to the Landlord's right to performed. forfeit the Deposit absolutely as aforesaid, the Landlord shall at its sole discretion to choose not to forfeit the Deposit but to deduct all loss and damages thereby incurred from the Deposit and the Tenant shall forthwith deposit with the Landlord the amount so deducted and if the Tenant shall fail so to do, the Landlord shall forthwith be entitled to re-enter the Premises and to determine this Lease in which event the Deposit shall be forfeited to the Landlord as hereinbefore provided. The Landlord shall further be entitled to let, sell or dispose of the Premises to any person without giving notice to the Tenant. The Tenant shall further forthwith reinstate the Premises in manner according to the terms and conditions herein.

- Notwithstanding anything hereinbefore contained in the event (ii) of default in payment of rent, Government rent, rates and Management fees or other charges or additional outgoings on the date after fourteen (14) days on which the same falls due for payment, the Tenant shall further pay to the Landlord on demand interest on the amount in arrears at the rate of 2% per annum over the prime lending rate from time to time published by The Hongkong and Shanghai Banking Corporation Limited, calculated from the date on which the same became due for payment (as stipulated in Clause 1 hereof) until the date of payment as liquidated damages and such interest shall be paid at the rate aforesaid before as well as after judgment provided that the demand and/or receipt by the Landlord (or its duly authorized agent) of interest pursuant to this provision shall be without prejudice to and shall not affect the right of the Landlord to exercise any other right or remedy hereof (including the right of re-entry) exercisable under the covenants and conditions of this Agreement.
- (iii) If the day on which the rent or additional outgoings or other payments fall due under this Agreement is a public holiday, the relevant payment of rent or additional outgoings or otherwise shall be due and payable on the preceding business day.

- (iv) It is hereby agreed by the parties that the terms and conditions under Clause 2(bd) shall be considered as material conditions of this Agreement. Without prejudice to the Landlord's right in Clause 4(a)(i), in the event that the Tenant fails to fully comply with the terms and conditions of Clause 2(bd), in addition to the Landlord's right in this Agreement or otherwise, the Tenant agrees that he shall further pay and indemnify the Landlord against all loss and damage suffered by the Landlord in respect of the breach of Clause 2(bd).
- (b) Acceptance of rent or any other act whatsoever or any omission by the Landlord shall not be deemed to operate as a waiver by the Landlord of any right to proceed against the Tenant in respect of a breach by the Tenant of any of its obligations hereunder.
- (c) For the purpose of Part III of The Landlord & Tenant (Consolidation)
 Ordinance and for the purpose of these presents the rent in respect of the
 Premises shall be deemed to be in arrear if not paid at the time
 stipulated by Clause 1 hereof. All reasonable costs and expenses of
 and incidental to distraint shall be paid by the Tenant on an indemnity
 basis and shall be recoverable from the Tenant as a debt.
- (d) The Tenant shall under any circumstances deliver up vacant possession of the Premises to the Landlord at the expiration or sooner determination of the Term notwithstanding any rule of law or equity to the contrary.
- (e) During the Term, the Landlord shall be at liberty to affix and retain without interferences upon any external part of the Premises whether to the corridor walls or main external elevation wall a notice to let or sell the same and the Tenant shall upon prior notice being given permit persons with written authority from the Landlord or its agents at reasonable times of the day to view the Premises and every part thereof and conduct works.
- (f) Any notice required to be served hereunder shall be sufficiently served

on the Tenant if delivered to it by post or left addressed to it at its last known address or registered office in Hong Kong and shall be sufficiently served on the Landlord if sent to it by post or delivered to it at the address given herein or any other address which the Landlord may notify to the Tenant from time to time. A notice sent by post shall be deemed to have been given at the time when in due course of post it would be delivered at the address to which it is sent.

- (g) The Tenant shall not do or permit to be done anything whereby the policy or policies of insurance on the Premises against damage by fire or against claims by third parties for the time being subsisting may become void or voidable or whereby the premium thereof may be increased Provided that if as the result of any act, deed, matter or thing done, permitted or suffered by the Tenant, the premium on any such policy of insurance shall be increased, the Landlord shall be entitled without prejudice to any other remedy hereunder to recover from the Tenant the amount of any such increase PROVIDED notwithstanding anything herein contained the Landlord does not warrant that any or adequate insurance against fire or any other risks exists in respect of the Premises or any part thereof and/or all or any of the goods or property stored therein by the Tenant AND the Tenant shall be responsible in any event for insurance of its goods and property left or stored in the Premises or the Building or any part thereof respectively.
- (h) For the purpose of these presents any act default neglect or omission of the agents contractors servants customers or visitors of the Tenant shall be deemed to be the act default neglect or omission of the Tenant.
- (i) The Tenant shall be wholly responsible for and shall indemnify the Landlord against any proceeding actions claims or demands whatsoever by any person for any loss, damage, injury or loss of business caused to any person whomsoever or any property whatsoever whether directly or indirectly through the defective or damaged condition of any part of the

interior of the Premises or any fittings, fixtures or wiring therein for the repair of which the Tenant is responsible hereunder or through or in any way owing to the spread of fire or smoke or the leakage or overflow of water including storm or rain water or leakage of electric current or the escape of any substance or anything or the dropping or falling of any article object or material whatsoever including cigarette ends glass or tiles from the Premises or any part thereof or through the act, default or neglect of the Tenant, its servants, agents, licensees or customers and the Landlord shall not be under any liability whatsoever to the Tenant or to any person whomsoever in respect of any loss damage injury or loss of business sustained by the Tenant its servants agents invitees customers or licensees caused by through or in any way owing to the spread of fire or smoke or leakage or overflow of water including storm or rain water or leakage of electric current or the escape of any substance or anything or the dropping or falling of any article object or material whatsoever including cigarette ends glass or tiles from any premises situate in the Building or in the neighbourhood or arising from the act neglect or default of the tenants or occupiers of any other parts of the Building or in respect of any loss and damage arising from the exterior or structural damage of the Premises or the Building or the repair works relating thereto.

- (j) The Landlord shall not be liable to the Tenant or any other person whomsoever in respect of any injury loss or damage (whether direct or consequential) to person or property or loss of business or of profit or other liability whatsoever which may be sustained by the Tenant or any such other person caused by or through or in any way owing to:
 - (i) any defect in or the stoppage or breakdown of the lifts cargo lifts escalators air-conditioning system or any other services facilities plant or equipment of the Building by reason of defect malfunctioning or defective or negligent working and/or operation and/or condition thereof or of necessary repair or

maintenance of any installation or apparatus or damage thereto or destruction thereof by fire water or Act of God or by reason of mechanical electrical or other defect failure or breakdown or inclement conditions or unavoidable shortage of fuel materials water or labour or any cause whatsoever beyond the Landlord's control, or the leakage or the cracking of the glass panels of the Building; or

- (ii) fire or smoke or the leakage or overflow of water including storm or rain water or leakage of electric current or the escape of any substance or anything whatsoever or vibrations or the dropping or falling of any article object or material whatsoever including cigarette ends glass or tiles from any premises situate within the Building or from outside the Building or in the neighbourhood, explosion, typhoon, landslide, subsidence of the ground, force majeure or Act of God, or arising from the act neglect or default of the tenants or occupiers of any other parts of the Building; or
- (iii) The defective or damaged condition of the Premises or the Landlord's fixtures therein or any part thereof (other than for such repair of which the Landlord is responsible); or
- (iv) Any defect in the supply of air-conditioning or electricity or from any surge reduction variation interruption or termination in the supply of electrical power.
- (k) The Landlord shall not be liable to the Tenant or any other person whomsoever for the security or safekeeping of the Premises or any contents therein and in particular but without prejudice to the generality of the foregoing the provision by the Landlord of watchmen, caretakers or any mechanical or electrical systems of alarm of whatever nature shall not create any obligation on the part of the Landlord as to the security of the Premises or any contents therein and the responsibility for the safety of the Premises and the contents thereof shall at all times

rest with the Tenant.

- (I) No warranty is hereby given by the Landlord that the Premises shall be fit or can be used for any purpose other than for lawful and licenced industrial use and the Tenant will be solely responsible at its own costs and expenses for applying and obtaining all necessary Government consents and approvals for its intended use and the related decoration and construction for such intended use. The Landlord shall further be exempt from all liabilities arising from the fact that the Premises cannot for any reason whatever be used for any particular purpose and the Tenant takes and shall be deemed to take the Premises with full knowledge of the permitted use thereof.
- (m) If the Premises or any part thereof shall be destroyed or so damaged by any cause whatsoever (not attributable to the act or default of the Tenant) so as to be unfit for occupation or use or if the Premises shall be condemned as a dangerous structure or a demolition order or a closing order shall become operative in respect of the Premises the rent hereby reserved or a proportionate part thereof according to the extent and duration of the damage sustained shall be suspended until the Premises shall again be rendered fit for occupation and use Provided always that the Landlord shall be under no obligation to repair or reinstate the Premises or any part thereof so destroyed or damaged and Provided that if the Premises are not repaired or reinstated within three (3) months from the occurrence of such event or the said order rescinded or revoked either the Landlord or the Tenant shall have the right to determine this Agreement by giving one (1) month's notice in writing to the other and thereupon the same and everything herein contained shall determine as from the date of the occurrence of such destruction damage or order but without prejudice to the rights and remedies of either party against the other in respect of any antecedent claim or breach of the agreements stipulations terms and conditions herein contained or of the Landlord in respect of the rent payable hereunder prior to the coming into effect of

the cessation to pay rent.

- (n) In the event of fire, typhoon or other contingencies which in the reasonable opinion of the Landlord may cause or threaten to cause damage or injury to the Premises or the Building, the Landlord shall have power in the absence of the Tenant to break open any outer door or windows of the Premises and to do such other things as may be reasonable and necessary to prevent the Premises and/or the Building from being damaged or injured or further damaged or injured and in such event the Landlord shall not be answerable to the Tenant for any loss or damage which the Tenant may sustain thereby.
- The Tenant shall on the commencement of the tenancy hereby (0)(i) created deposit and maintain with the Landlord the sum referred to as the Deposit in Part VIII of the First Schedule hereto (hereinafter called "the Deposit" and the receipt of the Deposit the Landlord hereby acknowledges) to secure the due observance and performance by the Tenant of the agreements stipulations and conditions herein contained and on the Tenant's part to be observed and performed. The Deposit shall be retained by the Landlord throughout the term of this Agreement free of any interest to the Tenant to carry from the other Tenancy Agreement and in the event of any breach, non-observance or non-performance by the Tenant of any of the agreements, stipulations or conditions aforesaid but subject to the express provision provided therein (if any), the Landlord shall be entitled to terminate this Agreement and forfeit absolutely the Deposit paid hereunder as and for liquidated damages (and not as penalty) or at the option of the Landlord to deduct from the Deposit the amount of any monetary loss incurred by the Landlord in consequence of the breach, non-observance or non-performance by the Tenant in which event the Tenant shall, as a condition precedent to the

continuation of the tenancy, deposit with the Landlord the amount so deducted and, if the Tenant shall fail so to do, the Landlord shall forthwith be entitled to re-enter on the Premises and to determine this Agreement in which event the Deposit may be forfeited to the Landlord as hereinbefore provided.

- (ii) Where under this Agreement, the aggregate of rent, rates, Government rent and Management fees payable shall at any time exceed the amounts so payable on the commencement of this tenancy, the Tenant shall forthwith pay to the Landlord such further sums as will be necessary to maintain the Deposit at three (3) months' rent, three (3) months' rates and Government rent and three (3) months' Management fees during the Term from time to time.
- (iii) Subject as aforesaid the Deposit shall be refunded to the Tenant by the Landlord without interest within forty-five (45) working days after the expiration or sooner determination of this Agreement and the delivery of vacant possession of the Premises to the Landlord or within forty-five (45) working days of the settlement of the last outstanding claim by the Landlord against the Tenant in respect of any breach non-observance or non-performance of any of the agreements stipulations or conditions herein contained and on the part of the Tenant to be observed and performed whichever is the later.
- (iv) In the event that the Premises and/or this Agreement shall be assigned by the Landlord to any person, the Landlord shall be entitled (incidental to such assignment) to transfer directly the Deposit or the balance thereof after making any deduction in manner aforesaid (whether with or without the consent of the Tenant) to such assignee Provided that such assignee shall undertake with the Tenant to refund such Deposit or balance

thereof (after making any deductions) in accordance with the provisions hereof whereupon the Landlord's obligation in respect of the refund of the Deposit or balance thereof (as the case may be) shall be released.

- (p) This Agreement sets out the full agreement reached between the parties hereto and no other representations have been made or warranties given relating to the Landlord the Tenant the Premises the Building or this tenancy and if any such representation or warranty has been made given or implied the same is hereby waived.
- (q) All legal costs and expenses incurred by the Landlord in demanding payment of rent and/or any other legal proceedings taken by the Landlord against the Tenant as a result of default of payment of rent by the Tenant or the breach by the Tenant of any covenants or conditions herein contained shall be borne and paid by or be recoverable from the Tenant on an indemnity basis or as a debt and be deductible by the Landlord from the Deposit held by the Landlord hereunder.
- (r) (i) If any of the Tenant's conduct amounts to :-
 - (1) a repudiation of this Agreement; or
 - (2) a breach of any covenant in this Agreement; the Tenant must compensate the Landlord for any loss or damage suffered because of the repudiation or breach.
 - (ii) The Landlord may recover damages from the Tenant for the repudiation or breach in sub-clause (i) above for damages suffered during the whole term of this Agreement.
 - (iii) The Landlord may recover damages even though:-
 - (1) the Tenant has abandoned or otherwise deserted the Premises;
 - (2) the Landlord has re-entered or terminated this Agreement; or
 - (3) the Landlord has accepted the Tenant's repudiation.
 - (iv) The Landlord's acceptance of rent or any other money under

this Agreement (whether before or after termination) is not a waiver of any breach or an acceptance of the Tenant's repudiation of this Agreement.

- (v) (1) If the Tenant terminates this Agreement, the Landlord shall take reasonable steps to mitigate its damages by attempting to lease the Premises on commercially reasonable terms and at a commercially reasonable rent.
 - (2) The Landlord shall not be required to take any further steps to mitigate its damages.
 - (3) The Landlord's right to damages shall be assessed on the basis that the Landlord has observed the obligation to mitigate its damages as stipulated under this clause (v).
- (s) (i) All stamp duty payable on this Agreement under the Stamp Duty Ordinance (Chapter 117) shall be paid by the parties in equal shares.
 - (ii) Each party shall pay its own solicitors' costs and disbursements of and incidental to the preparation and completion and registration of this Agreement.
 - (iii) All legal costs and expenses incurred by the Landlord in demanding payment of rent and/or other outgoings and/or any other legal proceedings taken by the Landlord against the Tenant for default of payment of rent by the Tenant or breach by the Tenant of any terms and conditions herein contained shall be recoverable on a full indemnity basis from the Tenant as a debt and be deductible on such basis by the Landlord from the Deposit held by the Landlord hereunder.
- (t) The Tenant has full knowledge about the Premises and all fixtures (if any) installed in the Premises on the date of this Agreement (hereinafter called "the said fixtures and fittings"). The Tenant hereby agrees to

keep the said fixtures and fittings in a proper working and tenantable state of repair and condition—and in particular (i) to repair or cause to be repaired any fittings and fixture broken down during the currency of the tenancy and (ii) to replace with articles of similar value and quality those fixtures and fittings that having been broken down beyond repairs or are lost or damaged during the currency of this Agreement or at the Landlord's option to pay to the Landlord the value of such fittings and fixtures provided such value shall be assessed as on the date when the fittings and fixtures were lost or damaged.

- (u) The Tenant shall not remove the said fixtures and fittings or any of them from the Premises without the written consent of the Landlord and will not create or allow to be created any lien upon the said fixtures and fittings and will protect the same against distress execution or seizure and indemnify the Landlord against all costs charges damages and expenses incurred by the Landlord by reason or in respect thereof.
- (v) The Tenant hereby declares that prior to entering into this Agreement, the Tenant has full knowledge about the Premises' state of repair condition and area and accepts the conditions and state of repair and area of the Premises and thereby agrees to take up the Premises with its condition repair and area on an "as is" basis.
- (w) It is hereby declared that in the construction of these presents with reference to the Tenant, unless the contrary intention appears, words importing the masculine gender shall include feminine and neuter genders and vice versa; words in the singular shall include the plural and vice versa; words importing persons shall include companies or corporations and vice versa, and where there are 2 or more individuals included in the expression "the Tenant" liabilities covenants conditions and stipulations expressed or implied to be made by or with the Tenant shall be deemed to be made by or with such individuals jointly and severally.
- (x) Notwithstanding any payment made by the Tenant being designated for

any specific purpose(s) and/or period(s), the Landlord may at its own discretion utilize any monies paid by the Tenant to settle any sum(s) due and owning by the Tenant to the Landlord for whatever period(s) chosen by the Landlord and in the following priority wherever applicable and the Tenant shall have no objection in relation thereto:-

- (a) legal cost (on full indemnity basis) incurred in connection with the Tenant's late payment of any monies;
- (b) Government rent and rates;
- (c) Management fees;
- (d) overdue interest;
- (e) utility charges and other outgoings (if any); and
- (f) rent or mesne profits (if applicable).
- (y) All goods delivered to Riley House are subject to gate charges per entry and at such rate as determined by the Management Office of the Building from time to time during the Term.
- (z) If any refrigeration or air conditioning system (for temperature and/or humidity control purposes) is installed and operated in the Premises, a proper insulation layer should be installed by the Tenant at its own costs and maintained accordingly and/or the indoor temperature and humidity of the Premises should be maintained and kept within a suitable range by the Tenant so as not to cause condensation in other units or affect the other tenants/occupiers of the Building and/or the Landlord. The Tenant shall bear all damages caused by its improper temperature and/or humidity control. Should other tenants/occupiers of the Building and/or the Landlord be in any way affected at any time, the Tenant shall upon notification by the Landlord take immediate remedial action at its own costs to "regularize" the temperature and humidity of the Premises.
- (aa) In the event of any construction works, maintenance or repair of public facilities in the Building or any road, alteration, closure in on over and/or under any of the public roads adjacent to or adjoining the Premises or the Building or any part thereof, the Tenant agrees and

undertakes not to lodge any objection to or claim any compensation against the Landlord for any loss, inconvenience or interruption of business caused to the Tenant.

- (bb) The Tenant shall fully comply with any rules made by the Landlord in respect of environment, health and safety management. The Landlord has the right to enter upon the Premises for inspection of the structure of the Building and any facilities affecting the safety of the Premises ("Safety Facilities") including but not limited to power facilities, electrical apparatus and fire service installations and equipment. If the Landlord shall discover any problem defect malfunction failure or hazards in relation to the Safety Facilities or the Landlord finds that the Safety Facilities are not in satisfactory condition, the Landlord may give written notice to the Tenant and require the Tenant at its own cost to repair fix maintain or upkeep the same. If the Tenant shall fail to comply with the request of the Landlord in the said notice within three (3) days of receiving the same, the Landlord shall have the absolute discretion to cease the supply of electricity to the Premises. If the Tenant shall fail to comply with the request of the Landlord in the said notice within seven (7) days of receiving the same, the Landlord may carry out all necessary works to repair fix maintain or upkeep the Safety Facilities on behalf of the Tenant and at its absolute discretion to deduct the cost of such works from the Deposit (if any) and/or claim the cost of such works from the Tenant and/or be entitled to terminate this Agreement at any time by serving one (1) month's prior written notice without any payment of any compensation to the Tenant.
- (cc) If at any time during the term of the tenancy herein, the Landlord shall enter into a contract for the sale of the Premises or of the Building or any part thereof or in the Landlord shall resolve to redevelop the Building whether wholly by demolition and rebuilding or otherwise, or partially by renovation, refurbishment or otherwise (which intention to redevelop shall be sufficiently evidenced by a copy of a Resolution of

of such events the Landlord shall have the right to terminate this Agreement by giving to the Tenant not less than six (6) clear calendar month's notice in writing and immediately upon the expiration of such notice this Agreement and everything therein contained shall cease and be void but without prejudice to the rights and remedies of either party against the other in respect of any antecedent claim or breach of any of the agreements or stipulations set out in this Agreement and the Tenant shall deliver up vacant possession of the Premises to the Landlord without delay. The Tenant shall not be entitled to claim against the Landlord for any damages or compensation whatsoever in respect of the termination of the tenancy hereby created pursuant to this Clause.

- 5. (a) No fitting-out, alteration and/or addition to the Premises shall be made without the prior written approval of the Landlord or its agent (such approval shall not be unreasonably withheld).
 - (b) All such works shall be carried out solely at the Tenant's costs and risks.

 The Tenant shall comply with the House Rules and/or the fitting-out rules issued by the Management Office of the Building and/or the Landlord from time to time.
 - (c) All fitting-out alteration and/or additions shall upon expiry of the Term hereby created at the option of the Landlord become the property of the Landlord without payment of any compensation to the Tenant.
- 6. (a) The Tenant, its servants, staffs, workers, agents, contractors or licensees are strictly prohibited from altering demolishing or making additions to any fixed installations, partitions, partition walls, exterior walls, main structures, air-conditioning and refrigeration systems/installations, electrical wirings or installations including but not limited to the fire service systems/installations and P&D Systems/installations in the Premises without the prior written consent of the Landlord. Notwithstanding the aforesaid, the Tenant shall throughout the Term at its own costs and expenses keep in the Premises enough fire

- extinguishers, sand boxes and others as may be required by the Landlord.
- (b) The Tenant shall at its own costs and expenses maintain and repair and keep maintained and repaired all the fixed installations, partitions, partition walls, air-conditioning and refrigeration systems/installations, electrical wirings or installations including but not limited to the fire service systems/installations and P&D Systems/installations in the Premises and in the public areas inside the gate system on each floor and related to the Premises at all times.
- (c) The Landlord shall be at liberty to enter the Premises at such time as it/they shall deem necessary or fit, with or without workmen, to carry out inspections of the air-conditioning units/installations, electricity systems and firefighting systems and their computer systems installed therein and the Tenant shall not make any objection or refusal in respect thereof.
- (d) The Tenant shall at its own costs and expenses maintain and repair and keep maintained and repaired the air-conditioning installations in the Premises. Without prejudice to the freedom of the Tenant to select any service provider as it deems fit, the Tenant hereby acknowledges that the contractor nominated by the Landlord is the preferred service provider in relation to maintenance and repairing of the air-conditioning installations in the Premises.
- (e) The Tenant shall at its own costs and expenses to keep the non-structural interior parts of the Premises and all appliances or installations including but not limited to the epoxy flooring, internal walls and ceilings, fire shutters, and air-conditioning installations in good, clean, substantial repair tenantable conditions to the satisfaction of the Landlord at the expiration or early determination of the Term hereby created and if the Landlord considers that the said parts, appliances or installations are in defective condition, for which the Landlord's decision on whether they are in a defective condition is final and conclusive and binding on the

Tenant, the Tenant shall be responsible to replace at its own costs the parts, appliances or installations in the Premises in accordance with the Landlord's directions.

- (f) The Tenant shall at its own costs to clean and clear any drains serving the Premises that are choked or stopped up owing to careless use by the Tenant or its employees customers invitees or licensees. And to keep in good clean substantial and proper repair and condition all drains, sewage system, soil and other pipes, cable, wires, dects, mains and apparatus associated therewith and any equipment and fittings ancillary thereto which belong to or form part of or serve the Premises and to indemnify the Landlord against all costs, claims, demands, actions, liabilities, and legal proceedings whatsoever made upon the Landlord by any person in respect of any breach of this covenant.
- (g) The Tenant shall reimburse to the Landlord the cost of replacing all broken and damaged window glass irrespective of the cause of such breakage or damage.
- (h) The Tenant shall repair or replace, if so required by the appropriate Supply Company, Statutory Undertaker or Authority as the case may be under the terms of any Electricity Supply Ordinance for the time being in force or any Orders in Council or Regulations made thereunder, all the electrical wiring installations and fittings within the Premises and the wiring from the Tenant's meter or meters to and within the same.
- (i) The Tenant shall keep at its own expenses the lavatories and water apparatus in good clean substantial and proper repair and condition at all times during the term to the satisfaction of the landlord and in accordance with the Regulations of the Public Health or other Government Authority concerned.
- 7. The Tenant shall effect and maintain an adequate policy or policies of insurance for All Risks including third party liabilities in respect of the Premises therein and

public liability with such reputable insurance company of not less than HK\$20,000,000.00. The policy of insurance so effected shall be endorsed to show the names of the beneficiaries to be determined by the Landlord which may include China Resources Purchasing Godown Company Ltd. and/or China Resources Enterprise Ltd. and/or all its subsidiaries and/or Winland Property Management Ltd. and/or China Resources Logistics (Pak Sik Enterprises) Ltd. and/or all its subsidiaries and/or affiliated and associated companies and/or other parties with interest as owners and/or owners' agent and/or property managers of the Building and shall contain a clause to the effect the insurance cover thereby effected and the terms and conditions thereof shall not be cancelled modified or restricted without the prior written consent of the Landlord. The Tenant shall notify the Landlord of any change of the terms of the policy relating to the Premises. The Tenant hereby undertakes to produce to the Landlord as and when required by the Landlord a copy of the said policy. If the Tenant fails to keep or maintain such insurance on foot, the Landlord may do all things necessary to effect and maintain such insurance and any monies expended by the Landlord for that purpose shall be recoverable from the Tenant on demand.

- 8.
- The Tenant may use the Premises as a food factory ("the Food Factory"), (a) PROVIDED THAT such use shall meet with requirements by Buildings Fire Services Department, Lands Department, Department, Environmental Hygiene Department, Electrical & Mechanical Services Department (EMSD) and other relevant government authorities. Under no circumstances shall the Landlord be liable for any loss or damages to the Tenant or any person in connection with the use of the Premises for the Food Factory. Should the Food Factory be condemned or declared by the relevant government authorities to be unlawful and unauthorized or otherwise illegal, the Tenant shall forthwith comply with all such demand, direction or order as may be issued by the relevant government authorities. The Tenant shall further forthwith reinstate the Premises in manner according to the terms and conditions in this Agreement.
- (b) Any construction work hereafter in relation to the Food Factory shall be

subject to Landlord's prior written approval and shall be conducted at Tenant's own and sole costs, expenses and risks and no undue inconvenience or disturbance shall be caused to the Landlord and/or the other tenants/occupiers of the Building. The Tenant shall at its own costs and expenses employ the necessary qualified architect and engineer to design and make the architectural drawings properly and, upon prior approval on the architectural drawings by the Landlord, seek all necessary approval or consent from the appropriate Government authorities PROVIDED THAT no approval shall make the Landlord responsible for any damage or claims arising from defects in design or quality of the Food Factory. Under no circumstances shall the Landlord be liable for any losses or damages to the Tenant or any person in connection with the said construction work.

- (c) The Tenant shall at its own expense engage a licensed electrical appliance company to install all the electrical wiring cables and separate electricity check meters for the Premises (unless agreed by landlord) at such location and in such manner as shall be previously approved by the Landlord in writing and pay all necessary deposits for the supply of electricity to the Premises when required. The Tenant shall not overload the electrical wiring cables or apparatus associated therewith in or serving the Premises and comply in all respects with all requirements and regulations of the supply authorities and/or Landlord and/or manager of the Building.
- (d) The Tenant shall at its own costs and expenses to monitor and repair any place suffering from water leakage due to the operation of Food Factory immediately. The Tenant shall bear all damages including structure damages caused by water leakage due to the operation of Food Factory. If the Tenant fail to repair the water leakage place(s) within Seven (7) days, the Landlord may carry out all necessary works to repair on behalf of the Tenant and at its absolute discretion to deduct the cost of such

works from the Deposit (if any) and/or to claim the cost of such works from the Tenant and/or be entitled to terminate this Lease at any time without any payment of any compensation to the Tenant.

- (e) The Tenant shall at its own costs and expenses install all fire-fighting equipment and apparatus fully in compliance with the regulations of Fire Services Department.
- 9. Notwithstanding any provision contained herein to the contrary the Landlord shall be entitled to terminate the tenancy of Premises to be created herein and re-enter the Premises immediately at any time during the Term upon that the Landlord producing to the Tenant written notice of complaint, lawsuit received from the Government, Government Order and Government Objection regarding the Tenant's use of this Premises (whether such use constitutes a breach or not) provided that the Landlord shall give the Tenant thirty (30) days prior notice to rectify the violation and the Tenant still fails to the comply.
- 10. The Tenant shall procure Tsui Wah Holdings Limited (whose shares are listed on The Stock Exchange of Hong Kong Limited with stock code 1314) to execute, within such time as the Landlord or its solicitors may specify, a Deed of Guarantee (in such form specified by the Landlord) guaranteeing the observance and performance of the obligations on the part of the Tenant under this Agreement immediately after the signing of this Agreement.
- 11. Time is of the essence in every respect of this Agreement.
- 12. A person who is not party to this Agreement shall have no right under the Contracts (Rights of Third Parties) Ordinance Cap.623) to enforce any of its terms and conditions under this Agreement.
- 13. All payments to the Landlord herein shall be paid by cheque made payable to the Landlord's appointed agent " China Resources Logistics (Pak Sik Enterprises) Limited ".

THE FIRST SCHEDULE ABOVE REFERRED TO

Part I

Landlord

CHINA RESOURCES LOGISTICS (PAK SIK ENTERPRISES) LIMITED (華潤物流 (百適企業) 有限公司) (as agent and lawful attorney of CHINA RESOURCES PURCHASING GODOWN COMPANY LIMITED (華潤採購倉儲有限公司)) whose registered office is situate at 39th Floor, China Resources Building, No.26 Harbour Road, Hong Kong.

Part II

Tenant

[] (Company No. XXX) whose registered office is situate at XXX, Hong Kong. [to be confirmed]

Part III

Term

[] MONTHS from the [] 2022 to the 31st day of March 2023 (both days inclusive). [to be confirmed]

Part IV

Rent

DOLLARS SIX HUNDRED AND FIFTY ONE THOUSAND AND SIXTY NINE (HK\$651,069.00) only Hong Kong Currency per calendar month (exclusive of Government rent, rates and management fees) to be paid in advance without any deduction or set-off whatsoever on the 1st day of each and every calendar month.

Rent shall be payable in advance without any deduction or set-off whatsoever on the 1st day of each and every calendar month. When the term of tenancy does not commence on the 1st day of the month, the Landlord may at any time during the term require the Tenant to pay rent for a particular month on a pro-rata basis, namely, from the commencement day to the end of the month, and thereafter the Tenant shall

pay rent for each calendar month (including the last month of the term also on a pro-rata basis) on the 1st day of each such calendar month.

Part V

Management

DOLLARS ONE HUNDRED AND EIGHT THOUSAND FOUR HUNDRED AND SEVENTY ONE (HK\$108,471.00) only Hong Kong Currency per calendar month subject to revision from time to time by the Management Office of Riley House payable in advance on the 1st day of each calendar month without any deduction or set-off whatsoever.

Government rent and rates:

DOLLARS FIFTY FIVE THOUSAND AND EIGHT HUNDRED (HK\$55,800.00) only Hong Kong Currency per calendar month payable subject to the adjustment from time to time made by HKSAR which shall be paid by the Tenant in the first place to the Landlord in advance quarterly as shown on the copy demand notes provided to the Tenant quarterly in advance.

Part VI

User

The Premises shall be restricted for warehouse, food factory and ancillary accommodation for non-domestic use only permitted under the Government Grant upon which the Lot is held ("the Government Grant"), the occupation permit in respect of the Building ("the Occupation Permit") and the deed of mutual covenant in respect of the Lot and the Building (if any) ("the Deed of Mutual Covenant"). The Landlord does not give any warranty or representation whether the Premises is suitable for the aforesaid use or the Tenant's use. The Premises shall not be used for any illegal or immoral purpose under any circumstances. The Tenant shall at its sole costs and expenses apply for and obtain all necessary licences, permits and approvals from the relevant Government authorities for all the uses, activities and operations at the Premises and maintain such licences, permits and approvals in force in respect of the Premises throughout the

Term and the Landlord shall not be liable to the Tenant for any consequences whatsoever arising therefrom. The Tenant shall observe, perform and comply with all statutory requirements, orders, regulations, by-law rules and the like in relation to the Premises. The Tenant's use of the Premises and of any part thereof is at its own risks including its use of all appliances or installations (whether or not provided by the Landlord). The Tenant shall be fully responsible and liable for all actions costs and demands in respect of any breach or non-observance or non-performance of any of the aforesaid obligations. If there is any letter, notice or order issued by the Government or other authorities in relation to the use of the said appliances or installations by the Tenant, the Tenant shall forthwith inform the Landlord immediately and at its own costs and expenses comply with the said letter, notice or order or any request of Government authorities before the expiry of such letter, notice, or order including but not limited to dismantle the said appliances or installations. If the Tenant fails to do so, the Landlord may do all things necessary to comply with the aforesaid letter, notice, order or request of Government authorities or other and all costs and expenses expended by the landlord for that purpose shall be recoverable from the Tenant on demand.

Part VII

Signboard:

[[to be confirmed]

Part VIII

Deposit

DOLLARS TWO MILLION FOUR HUNDRED AND FORTY SIX THOUSAND AND TWENTY (HK\$2,446,020.00) only Hong Kong Currency (as to HK\$1,953,207.00 in respect of three (3) months' rent, as to HK\$325,413.00 in respect of three (3) months' Management fees and as to HK\$167,400.00 in respect of three (3) months' Government rent and rates).

THE SECOND SCHEDULE ABOVE REFERRED TO

ALL THOSE the WHOLE OF SIXTEENTH FLOOR, the UNITS 01-04 OF SEVENTEEN FLOOR of RILEY HOUSE, No.88 Lei Muk Road, Kwai Chung, New Territories, Hong Kong erected on LOT NO.937 IN DEMARCATION DISTRICT 450 (which said floor is shown coloured Yellow on the plan annexed hereto for identification purpose only).

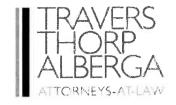
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RECEIVED on the commencement of this tenancy of)
and from the Tenant the sum of DOLLARS TWO MILLION)
FOUR HUNDRED AND FORTY SIX THOUSAND AND) HK\$2,446,020.00
TWENTY only Hong Kong Currency being the Deposit money)
above expressed to be paid by the Tenant to the Landlord.)

TENANCY AGREEMENT

TSANG, CHAN & WONG, SOLICITORS & NOTARIES, OFFICE 803B, 8TH FLOOR, TOWER I, 18 HARCOURT ROAD, ADMIRALTY, HONG KONG.

Ref: CRL/159893/22/C/TC/lm



Office: +852 2801 6066
Mobile: +852 9718 8740
Email: rthorp@tta.lawyer

To: CHINA RESOURCES PURCHASING GODOWN COMPANY LIMITED

(華潤採購倉儲有限公司) 37th Floor, China Resources Building No.26 Harbour Road Wanchai

Hong Kong (the "Addressee")

[•] 2022

Dear Sirs

Tsui Wah Holdings Limited (翠華控股有限公司)

We have acted as counsel as to Cayman Islands law to Tsui Wah Holdings Limited (翠華控股有限公司) (the "**Company**") in connection with the execution of the Transaction Document (as defined in Schedule 1).

1 DOCUMENTS REVIEWED

We have reviewed originals, copies, drafts or conformed copies of the documents listed in Schedule 1 to this opinion. Defined terms shall have the meanings set out in Schedule 1.

2 **ASSUMPTIONS**

The following opinion is given only as to, and based on, circumstances and matters of fact existing and known to us on the date of this opinion. This opinion only relates to the laws and practice of the Cayman Islands which are in force on the date of this opinion. In giving this opinion we have relied (without further verification) upon the completeness and accuracy of the Certificate of Good Standing, the Director's Certificate, a copy of which is attached to this opinion and the Certificate of Incumbency. We have also relied upon the assumptions set out in Schedule 2 to this opinion, which we have not independently verified.

3 QUALIFICATIONS

The opinions expressed below are subject to the qualifications set out in Schedule 3 to this opinion.

4 OPINIONS

Based upon, and subject to, the foregoing assumptions and qualifications, and having regard to such legal considerations as we deem relevant, we are of the opinion that:

4.1 The Company has been duly incorporated as an exempted company with limited liability and is validly existing and in good standing under the laws of the Cayman Islands and possesses the necessary capacity to own its property and assets, to carry on its business in accordance with the M&A (as defined in Schedule 1) and to sue and be sued in its own name.

Tel: +852 2801 6066 I 205A The Centrium
Fax: +852 2801 6767 60 Wyndham Street
www.traversthorpalberga.com Central Hong Kong
Cayman Islands & British Virgin Islands Attorneys-at-Law
Resident Hong Kong Partners: Richard Thorp
Anthony Travers OBE, Jos Briggs, Guy Connell

- 4.2 The Company has full corporate power and authority to enter into, execute and perform its obligations under the Transaction Document. The execution and delivery of the Transaction Document by the Company and the performance by the Company of its obligations thereunder do not conflict with or violate any of the terms or provisions of the M&A nor any applicable law, public rule, regulation, order or decree in the Cayman Islands currently in force and do not conflict with or violate, or constitute a default under any existing rule, regulation, order or decree of any governmental authority or agency or any official body in the Cayman Islands.
- 4.3 The execution, delivery and performance of the Transaction Document has been duly authorised by and on behalf of the Company through all corporate actions required and the Transaction Document has been duly executed and delivered by and on behalf of the Company and constitutes the legal, valid and binding obligations of the Company enforceable in accordance with its terms.
- 4.4 No order, authorisations, consents, approvals, licences, validations or exemptions are required from any governmental authorities or agencies or other official bodies in the Cayman Islands or any subdivision thereof in connection with:
 - (a) the authorisation, creation, execution or delivery of the Transaction Document by the Company;
 - (b) the enforcement of the Transaction Document against the Company;
 - (c) the performance by the Company of its obligations under the Transaction Document; or
 - (d) payments made under, or pursuant to, the Transaction Document.
- It is not necessary to ensure the legality, validity, enforceability or admissibility in evidence of the Transaction Document that any document be filed, recorded or enrolled with any governmental authority or agency or any official body in the Cayman Islands. However, to the extent that the Transaction Document creates a charge over assets of the Company, the Company and its Directors are under an obligation to enter such charge in the Register of Mortgages and Charges of the Company in accordance with section 54 of the Companies Act (Revised) (the "Companies Act"). While there is no exhaustive definition of a charge under Cayman Islands law, a charge normally has the following characteristics:
 - (a) it is a proprietary interest granted by way of security which entitles the chargee to resort to the charged property only for the purposes of satisfying some liability due to the chargee (whether from the charger or a third party); and
 - (b) the chargor retains an equity of redemption to have the property restored to him when the liability has been discharged.

However, as the Transaction Document is governed by the laws of [Hong Kong], the question of whether they would possess these particular characteristics would be determined under [Hong Kong] law.

4.6 No taxes, fees or charges (other than stamp duty, if applicable) are payable (either by direct assessment or withholding) to the government or other taxing authority in the Cayman Islands under the laws of the Cayman Islands in respect of:

- (a) the execution, creation or delivery of the Transaction Document by the Company;
- (b) the enforcement of the Transaction Document; or
- (c) payments made under, or pursuant to, the Transaction Document.

The Transaction Document will be subject to nominal stamp duty if it is executed in or brought into the Cayman Islands but will otherwise not be subject to stamp duty. The Cayman Islands currently have no form of income, corporate or capital gains tax and no estate duty, inheritance tax or gift tax.

- 4.7 Based solely on our search of the Register of Writs and Other Originating process and the Register of Appeals (together, the "Court Registers") maintained by the Clerk of the Court of the Grand Court of the Cayman Islands and by the Registrar of the Court of Appeal of the Cayman Islands respectively from the date of incorporation of the Company to the close of business in the Cayman Islands on [●] 2022 (the "Litigation Search"), the Court Registers disclosed no writ, originating summons, originating motion, petition, counterclaim nor third party notice (the "Originating Process") nor any amended Originating Process pending before the courts of the Cayman Islands nor any appeal pending before the Court of Appeal, in which the Company is a defendant or respondent.
- 4.8 The courts of the Cayman Islands will observe and give effect to the choice of the laws of [Hong Kong] as the governing law of the Transaction Document.
- [The submission by the Company in the Transaction Document to arbitration in [the Hong Kong International Arbitration Centre ("HKIAC")] in accordance with the [HKIAC Administered Arbitration Rules] in effect at the time of submission to arbitration is legal, valid and binding on the Company assuming that the same is true under the governing law of the Transaction Document.] OR [The submission by the Company in the Transaction Document to the exclusive jurisdiction of the courts of [Hong Kong] is legal, valid and binding on the Company assuming that the same is true under the governing law of the Transaction Document.]
- 4.10 [Foreign arbitration awards may be enforced in the Cayman Islands under the Foreign Arbitral Awards Enforcement Act (Revised) (the "Enforcement Act") and the Arbitration Act, 2012, which applies where the arbitration award to be enforced (the "Award") was made in pursuance of an arbitration agreement in a state which is a party to the New York Convention on the Recognition of Enforcement of Foreign Arbitral Awards adopted by the 1958 United Nations Conference on International Commercial Arbitration (the "Convention"). In general, the courts of the Cayman Islands will enforce an Award made under the Convention unless it is proved by the party against whom the Award was made that:
 - (a) a party to the arbitration agreement was (under the law applicable to him) under some incapacity;
 - (b) the arbitration agreement was not valid under the law to which the parties subjected it or, in default, under the law of the jurisdiction where the Award was made:
 - (c) he was not given proper notice of the appointment of the arbitrator or of the arbitration proceedings or was otherwise unable to present his case;

- (d) the Award deals with a difference not contemplated or not falling within the terms of the Enforcement Act submission to arbitration, or it contains decisions or matters beyond the scope of the submission to arbitration, provided that, if the Award contains decisions on matters not submitted to arbitration, the Award may be enforced to the extent that it contains decisions on matters submitted to arbitration, which can be separated from those on matters not so submitted:
- (e) the composition of the arbitral authority or the arbitral procedure was not in accordance with the agreement of the parties or, failing such agreement, was not in accordance with the law of the country where the arbitration took place;
- (f) the Award has not yet become binding on the parties, or has been set aside or suspended by a competent authority of the country in which, or under the law of which, the Award was made.

Enforcement of an Award may also be refused if the Award is in respect of a matter which is not capable of settlement by arbitration or where it would be contrary to the public policy of the Cayman Islands to enforce the Award.

A foreign arbitration award for a liquidated sum may also be enforced in the Cayman Islands pursuant to common law principles by action on the Award for the recovery of a debt.] **OR**

[Although there is no statutory enforcement in the Cayman Islands of judgments obtained in the courts of another jurisdiction (with the exception of certain courts of Australia), a judgment obtained in another jurisdiction will be recognised and enforced in the courts of the Cayman Islands at common law, without any re-examination of the merits of the underlying dispute, by an action commenced on the foreign judgment debt in the Grand Court of the Cayman Islands, provided such judgment:

- (a) is given by a foreign court of competent jurisdiction;
- (b) imposes on the judgment debtor a liability to pay a liquidated sum for which the judgment has been given;
- (c) is final;
- (d) is not in respect of taxes, a fine or a penalty; and
- (e) was not obtained in a manner and is not of a kind the enforcement of which is contrary to natural justice or the public policy of the Cayman Islands.]
- 4.11 The Addressee will not be required to be licensed, qualified, or otherwise entitled to carry on business in the Cayman Islands in order to enforce its rights under the Transaction Document, or as a consequence of the execution, delivery and performance of the Transaction Document.
- 4.12 The Addressee is not and will not be treated as resident, domiciled or carrying on or transacting business or subject to taxation in the Cayman Islands or in violation of any Cayman Islands law solely by reason of the negotiation, preparation or execution of the Transaction Document, or the entering into or exercise of its rights or the performance of its obligations under the Transaction Document.

- 4.13 The Company is not entitled to any immunity under the laws of the Cayman Islands, whether characterised as sovereign immunity or otherwise, from any legal proceedings to enforce the Transaction Document in respect of itself or its property.
- 4.14 There is no exchange control legislation under Cayman Islands law and accordingly there are no exchange control regulations imposed under Cayman Islands law.

We express no view as to the commercial terms of the Transaction Document or whether such terms represent the intentions of the parties and make no comment with regard to the representations which may be made by the Company.

This opinion may be relied upon by the Addressee only. It may not be relied upon by any other person except with our prior written consent.

Yours faithfully

TRAVERS THORP ALBERGA

SCHEDULE 1

List of Documents Reviewed

We have reviewed originals, copies, drafts or conformed copies of the following documents:

- 1 the Certificate of Incorporation of the Company dated 29 May 2012;
- the Memorandum of Association as registered upon incorporation and the Articles of Association of the Company as adopted on 5 November 2012 (together the "M&A");
- the [Register of Members and the] Register of Directors of the Company as provided to us on [●] by [●];
- the [unanimous] written resolutions of [all] the directors of the Company dated [●] 2022 (the "Director Resolutions") and the minutes of an extraordinary general meeting of the shareholders of the Company dated [●] 2022 (the "Shareholder Resolutions" and together with the Director Resolutions, the "Resolutions") pursuant to which the terms of the Transaction Document were approved;
- the Certificate of Incumbency signed by the registered office provider of the Company, [Codan Trust Company (Cayman) Limited], and dated [●] 2022 (the "Certificate of Incumbency");
- a certificate of good standing dated [●] 2022 issued by the Registrar of Companies (the "Certificate of Good Standing");
- a certificate from a Director of the Company a copy of which is annexed hereto (the "Director's Certificate"); and
- 8 a [guaranty entered into by the Company in favour of the Addressee dated [●] 2022].

The document referred to in paragraph 8 above is referred to as the "Transaction Document".

SCHEDULE 2

Assumptions

We have relied upon the following assumptions, which we have not independently verified:

- the Transaction Document has been or will be authorised and duly executed and unconditionally delivered by or on behalf of all relevant parties in accordance with all relevant laws (other than, with respect to the Company, the laws of the Cayman Islands);
- the Transaction Document is, or will be, legal, valid, binding and enforceable against all relevant parties in accordance with their terms under [Hong Kong] law and all other relevant laws (other than, with respect to the Company, the laws of the Cayman Islands);
- the choice of the laws of [Hong Kong] as the governing law of the Transaction Document has been made in good faith and would be regarded as a valid and binding selection which will be upheld by any court sitting in [Hong Kong] and any other relevant jurisdiction (other than the Cayman Islands) as a matter of the laws of [Hong Kong] and all other relevant laws (other than the laws of the Cayman Islands);
- copy documents, conformed copies or drafts of documents provided to us are true and complete copies of, or in the final forms of, the originals;
- 5 all signatures, initials and seals are genuine;
- the power, authority and legal right of all parties under all relevant laws and regulations (other than, with respect to the Company, the laws of the Cayman Islands) to enter into, execute, deliver and perform their respective obligations under the Transaction Document;
- there is nothing contained in the minute book or the corporate records of the Company (which we have not inspected other than the documents listed in Schedule 1 to this opinion) which would or might affect our opinions;
- there is nothing under any law (other than the law of the Cayman Islands) which would or might affect the opinions appearing above. Specifically, we have made no independent investigation of the laws of [Hong Kong];
- no amounts paid to or for the account of any party under the Transaction Document or any property received or disposed of by any party to the Transaction Document in each case in connection with the performance of the Transaction Document or the consummation of the transactions contemplated thereby (any such amount or property, the "Relevant Property"), represent or will represent proceeds of criminal conduct or criminal property as defined in the Proceeds of Crime Act (Revised) (the "POCA") or terrorist property as defined in the POCA or the Terrorism Act (Revised), as amended (the "Terrorism Act"), each of the Cayman Islands;
- the Company is not a sovereign entity of any state and is not a subsidiary, direct or indirect, of any sovereign entity or state; and
- the Company does not own any real property in the Cayman Islands.

SCHEDULE 3

Qualifications

The opinions expressed above are subject to the following qualifications:

- The term "enforceable" as used in this opinion means that the obligations assumed by the Company under the Transaction Document are of a type which the courts of the Cayman Islands will enforce. It does not mean that those obligations will necessarily be enforced in all circumstances in accordance with their terms. In particular:
 - 1.1 enforcement may be limited by bankruptcy, insolvency, liquidation, reorganisation, readjustment of debts or moratorium or other laws of general application relating to or affecting the rights of creditors;
 - 1.2 enforcement may be limited by general principles of equity. For example, equitable remedies such as specific performance may not be available, inter alia, where damages are considered to be an adequate remedy;
 - 1.3 some claims may become barred under the statutes of limitation or may be or become subject to defences of set off, counterclaim, estoppel and similar defences:
 - 1.4 where obligations are to be performed in a jurisdiction outside the Cayman Islands, they may not be enforceable in the Cayman Islands to the extent that performance would be illegal under the laws of that jurisdiction;
 - the Cayman Islands court has jurisdiction to give judgment in the currency of the relevant obligation and statutory rates of interest payable upon judgments will vary according to the currency of the judgment. If the Company becomes insolvent and is made subject to a liquidation proceeding, the Cayman Islands court will require all debts to be proved in a common currency, which is likely to be the "functional currency" of the Company determined in accordance with applicable accounting principles. Currency indemnity provisions have not been tested, so far as we are aware, in the courts of the Cayman Islands;
 - 1.6 obligations to make payments that may be regarded as penalties will not be enforceable:
 - 1.7 enforcement may be prevented by reason of fraud, coercion, duress, undue influence, misrepresentation, public policy or mistake or limited by the doctrine of frustration of contracts:
 - 1.8 provisions imposing confidentiality obligations may be overridden by compulsion of applicable law or the requirements of legal and/or regulatory process;
 - 1.9 the courts of the Cayman Islands may decline to exercise jurisdiction in relation to substantive proceedings brought under or in relation to the Transaction Document in matters where they determine that such proceedings may be tried in a more appropriate forum;
 - 1.10 any provision in a Transaction Document which is governed by Cayman Islands law purporting to impose obligations on a person who is not a party to such Transaction Document (a "third party") is unenforceable against that

third party. Any provision in a Transaction Document which is governed by Cayman Islands law purporting to grant rights to a third party is unenforceable by that third party, except to the extent that such Transaction Document expressly provides that the third party may, in its own right, enforce such rights (subject to and in accordance with the Contracts (Rights of Third Parties) Act, 2014 of the Cayman Islands);

- 1.11 we reserve our opinion as to the enforceability of the relevant provisions of the Transaction Document to the extent that they purport to grant exclusive jurisdiction as there may be circumstances in which the courts of the Cayman Islands would accept jurisdiction notwithstanding such provisions; and
- 1.12 a company cannot, by agreement or in its articles of association, restrict the exercise of a statutory power and there exists doubt as to enforceability of any provision in the Transaction Document whereby the Company covenants not to exercise powers specifically given to its shareholders by the Companies Act including, without limitation, the power to increase its authorised share capital, amend its memorandum and articles of association, or present a petition to a Cayman Islands court for an order to wind up the Company.
- The obligations of the Company may be subject to restrictions pursuant to United Nations and United Kingdom sanctions as extended to the Cayman Islands by the Orders of Her Majesty in Council.
- A certificate, determination, calculation or designation of any party to the Transaction Document as to any matter provided therein might be held by a Cayman Islands court not to be conclusive final and binding if, for example, it could be shown to have an unreasonable or arbitrary basis, or in the event of manifest error.
- In principle a Cayman Islands court will award costs and disbursements in litigation in accordance with the relevant contractual provisions but there remains some uncertainty as to the way in which the rules of the Grand Court will be applied in practice. Whilst it is clear that costs incurred prior to judgment can be recovered in accordance with the contract, it is likely that post-judgment costs (to the extent recoverable at all) will be subject to taxation in accordance with Grand Court Rules Order 62.
- We reserve our opinion as to the extent to which a Cayman Islands court would, in the event of any relevant illegality, sever the offending provisions and enforce the remainder of the transaction of which such provisions form a part, notwithstanding any express provisions in this regard.
- We express no opinion as to the meaning, validity or effect of any references to foreign (i.e. non-Cayman Islands) statutes, rules, regulations, codes, judicial authority or any other promulgations and any references to them in the Transaction Document.
- Where any agreement is dated "as of" a certain date we note that whilst parties to an agreement may agree as a matter of contract, *inter se*, that the rights and obligations therein contained, should, in so far as the same may be possible, take effect from a date prior to execution and delivery, if as a matter of fact that agreement was executed and delivered after the date "as of" which it is expressed to be executed and delivered, the agreement only comes into effect on the actual date of execution and delivery and, with effect to third parties, the agreement in so far as the rights of third parties may be available thereunder, takes effect only from the actual date of execution and delivery.

- 8 A Search of the Court Registers, amongst other things, would not reveal:
 - any Originating Process filed with the Grand Court which, pursuant to the Grand Court Rules or best practice of the Clerk of the Courts' office, should have been entered in the Court Register but was not in fact entered in the Court Register (properly or at all) or was not otherwise disclosed or any Originating Process not otherwise filed or disclosed;
 - 8.2 any application to the Grand Court for a winding-up petition or for the appointment of a receiver in respect of the Company which has been prepared but not yet filed;
 - any Originating Process which has been placed under seal or anonymised (whether by order of the Court or pursuant to the practice of the Clerk of the Courts' office, in either case save for winding up petitions, which pursuant to O.24 r.6(1) of the Companies (Winding Up) Rules (as amended) may not be placed under seal);
 - 8.4 any proceedings against the Company which have been threatened but not yet filed;
 - 8.5 whether the Company is in voluntary liquidation pursuant to section 116 of the Companies Act;
 - 8.6 whether a receiver had been appointed privately pursuant to the provisions of a debenture or other security agreement in respect of the assets of the Company; or
 - 8.7 whether the Company is a defendant or respondent to any arbitration proceedings.
- 9 If:
 - 9.1 the performance of the Transaction Document or the consummation of the transactions contemplated thereby constitutes an arrangement which facilitates the retention or control by or on behalf of another person of terrorist property (as defined in the Terrorism Act) by concealment, by removal from the jurisdiction or by transfer to nominees; or
 - 9.2 any party to the Transaction Document:
 - (a) by any means directly or indirectly knowingly provides or collects property (as defined under the Terrorism Act) or attempts to do so, with the intention that the property should be used or in the knowledge that it will be used in whole or in part:
 - (i) in order to carry out an act of terrorism (as defined under the Terrorism Act);
 - (ii) by a terrorist (as defined under the Terrorism Act) to facilitate the first-mentioned person's activities related to acts of terrorism or membership in a terrorist organisation (as defined under the Terrorism Act); or
 - (iii) by a terrorist organisation;

- (b) uses property for the purposes of terrorism;
- (c) possesses property and intends that it should be used, or has reasonable cause to suspect that it may be used, for the purposes of the financing of acts of terrorism, terrorists or terrorist organisations;
- (d) possesses or acquires property which that person knows or has reasonable cause to suspect has been used, directly or indirectly, in the commission of the financing of acts of terrorism, terrorists or terrorist organisations;
- (e) acquires property as a result of or in connection with acts of terrorism; or
- (f) enters into or becomes concerned in an arrangement as a result of which terrorist property is made available or is to be made available to another and knows or has reasonable cause to suspect that property will or may be used for the purposes of the financing of acts of terrorism, terrorists or terrorist organisations,

then an offence may be committed under the Terrorism Act.

- 10 We express no opinion on and our opinions are subject to the effect, if any, of any provisions of any Transaction Document that relies upon financial or numerical computation.
- The Company may be required to submit (or to cause to be submitted on its behalf) a notification and report to the Cayman Islands Department for International Tax Cooperation to ensure compliance with any obligations it may have under the laws of the Cayman Islands relating to the automatic exchange of financial account information.
- We reserve our opinion with respect to compliance, if any, with the International Tax Co-operation (Economic Substance) Act (Revised), and associated regulations and guidance.
- Preferred creditors under Cayman Islands law will rank ahead of unsecured creditors of the Company. Furthermore, all costs, charges and expenses properly incurred in the voluntary winding up of a company, including the remuneration of the liquidators, are payable out of the assets of the Company in priority to all other unsecured claims.
- 14 On a winding up of the Company:
 - 14.1 claims by employees working in the Cayman Islands in respect of severance pay (subject to a maximum of 12 weeks final basic wage) are paid in priority to all other debts whether unsecured or secured (and whether that security is fixed or floating).
 - 14.2 the following debts are paid in priority to all unsecured debts or debts secured by a floating charge:
 - (a) any sum due by the Company to an employee, whether employed in the Cayman Islands or elsewhere in respect of salaries, wages and gratuities accrued during the four months immediately preceding the liquidation;

- (b) any sum due and payable by the Company on behalf of an employee in respect of medical health insurance or pension fund contributions;
- (c) any sum due in respect of severance pay and earned vacation leave where the employee's contract has been terminated as a result of the winding up;
- (d) any compensation payable to a workman in respect of injuries incurred at work pursuant to the Workmen's Compensation Act (Revised); and
- (e) certain taxes due to the Cayman Islands Government comprising customs duties, stamp duty, licence fees, sums payable under the Companies Act (Revised) such as annual return fees, sums payable under the Tourist Accommodation (Taxation) Act (Revised).