

Dated 13 September 2023

WONDER EARNING LIMITED
(as Seller)

and

UNITED ENDEAVORS LIMITED
(as Purchaser)

and

**TANG LUNG INVESTMENT
PROPERTIES LIMITED**
登龍投資地產有限公司
(as Seller Guarantor)

and

TSUI YEE (徐意)
(as Purchaser Guarantor)

SETTLEMENT AGREEMENT

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THIS SETTLEMENT AGREEMENT ("this Settlement Agreement") is dated 13 September 2023 and made between:

- (1) **WONDER EARNING LIMITED** a company incorporated in the British Virgin Islands (BVI company number 2087943) whose registered office is at OMC Chambers, Wickhams Cay I, Road Town, Tortola, British Virgin Islands (the "**Seller**");
- (2) **UNITED ENDEAVORS LIMITED** a company incorporated in the British Virgin Islands (BVI company number 2092244) whose registered office is at CCS Trustees Limited, Mandar House, 3rd Floor, Johnson's Ghut, Tortola, British Virgin Islands (the "**Purchaser**");
- (3) **TANG LUNG INVESTMENT PROPERTIES LIMITED** 登龍投資地產有限公司 a company incorporated in Hong Kong (company number 902494) whose registered office is at 21/F, Soundwill Plaza, No. 38 Russell Street, Causeway Bay, Hong Kong (the "**Seller Guarantor**"); and
- (4) **TSUI YEE (徐意)** (Hong Kong Identity Card No. R136068(9)) of House 7, 8 Mount Nicolson Road, The Peak, Hong Kong (the "**Purchaser Guarantor**")

(collectively the "**Parties**", and each a "**Party**").

BACKGROUND:

- (A) Pursuant to the Sale and Purchase Agreement for all of the issued share capital of and all shareholders loan owed by the **Company** (as defined in the SPA) dated 9 August 2022, as amended and supplemented by the Supplemental Agreement dated 19 January 2023, in each case made amongst the Seller, the Purchaser, the **Seller Guarantor** and the Purchaser Guarantor (collectively the "**SPA**"):-
 - (1) the Seller agreed to sell the **Sale Share** (as defined in the SPA) and assign the **Sale Loan** (as defined in the SPA) to the Purchaser, and the Purchaser agreed to purchase the Sale Share and take such assignment of the Sale Loan, upon the terms and conditions set out in the SPA;
 - (2) the Seller Guarantor agreed to guarantee to the Purchaser the full, prompt, punctual and complete performance of the Seller's obligations under the SPA upon the terms and conditions set out in the SPA; and
 - (3) the Purchaser Guarantor agreed to guarantee to the Seller the full, prompt, punctual and complete performance of the Purchaser's obligations under the SPA upon the terms and conditions set out in the SPA.
- (B) The Purchaser and the Purchaser Guarantor did not pay the **Further Deposit** (as defined in the SPA) by the time stipulated under the SPA and, despite demands made by the Seller, the Purchaser and the Purchaser Guarantor still failed to pay the Further Deposit and the accrued default interest in accordance with the terms and conditions set out in the SPA (the "**Payment Default**").
- (C) The Purchaser and the Purchaser Guarantor have no intention to proceed with the SPA.

- (D) By reason of the Payment Default and pursuant to the terms of the SPA, the SPA is liable to be terminated by the Seller whereupon the Initial Deposit shall be absolutely forfeited and the Purchaser and the Purchaser Guarantor are jointly and severally liable for the loss and damages thus suffered by the Seller.
- (E) The Parties have agreed to enter into this Settlement Agreement for full and final settlement of all claims and liability arising from the SPA and the Payment Default on the terms and conditions set out herein.

THE PARTIES AGREE that:

1. DEFINITIONS AND INTERPRETATION

- 1.1 Unless otherwise defined, terms and expressions used in this Settlement Agreement shall have the same meanings when used in the SPA.

- 1.2 In this Settlement Agreement:-

"Effective Date" means the date of this Settlement Agreement;

"Other Documents" means any documents or CD-ROMs attached to the quarterly reports dated 9 November 2022, 9 February 2023, 9 May 2023 and 9 August 2023 provided by the Seller's Lawyers to the Purchaser's Lawyers, or otherwise provided by the Seller and its Representatives to the Purchaser and its Representatives on and after the date of the SPA;

"Other Title Documents" means any title deeds and documents of the Properties provided by the Seller's Property Lawyers to the Purchaser's Lawyers on and after the date of the SPA which have not been returned to the Seller's Lawyers, the Seller's Property Lawyers or Representatives of the Seller prior to the date of this Settlement Agreement;

"Purchaser's Lawyers" means solicitors acting for the Purchaser, namely Lo and Lo (a Hong Kong partnership) of 7/F, World-Wide House, 19 Des Voeux Road Central, Hong Kong; and

"Purchaser Guarantor's Lawyers" means solicitors acting for the Purchaser Guarantor, namely Messrs Iu, Lai & Li of Room 2201, 2201A and 2202, 22/F, Tower 1, Admiralty Centre, No 18 Harcourt Road Hong Kong

2. FORFEITURE OF INITIAL DEPOSIT

The Purchaser and the Purchaser Guarantor acknowledge that by reason of the Payment Default, the Initial Deposit paid by the Purchaser upon signing of the SPA (i.e., HK\$320,881,500.00) is liable to be and shall henceforth be forfeited by the Seller.

3. PAYMENT OF SETTLEMENT SUM

- 3.1 In addition to the forfeiture of the Initial Deposit referred to in Clause 2 above, the Purchaser shall, in accordance with the provisions of Clause 3.2 below, pay to **Gold Best Management Limited** (a member of the Seller's Group and the Seller hereby appoints it to receive the Settlement Sum for and on the Seller's behalf) a non-

refundable amount of **HK\$32,000,000.00** (the "**Settlement Sum**") upon the signing of this Settlement Agreement as full and final settlement of any claims arising from the SPA against either the Purchaser or the Purchaser Guarantor subject to the terms and conditions of this Settlement Agreement.

3.2 In connection with the payment of the Settlement Sum by the Purchaser pursuant to Clause 3.1 of this Settlement Agreement, the Purchaser shall pay the Settlement Sum in HK dollars in either of the following ways:

- (a) by way of cashier order(s) issued by a licensed bank in Hong Kong; or
- (b) by way of solicitor's cheque(s).

3.3 Save and except otherwise provided under this Settlement Agreement, all payments to be made by a Party to the other Party under this Settlement Agreement (including the Settlement Sum) shall be in the manner under Clause 3.2 and without any deduction or set-off or withholding.

3.4 If for any reason (including, without limitation, as a result of dissolution, deregistration, bankruptcy, liquidation, reorganisation, insolvency, administration, judicial management or protection from creditors generally) the payment of the Settlement Sum or any transaction contemplated under this Settlement Agreement is set aside, avoided, void or ordered to be refunded or reduced or proves otherwise to have been invalid, the Purchaser and the Purchaser Guarantor shall then jointly and severally indemnify and make good to the Seller upon demand the whole of the amount thereof.

4. RETURN OF DOCUMENTS

4.1 The Purchaser shall, and shall procure its Representatives, as soon as practicable and in any event within ten (10) Business Days from the Effective Date:

- (a) return to the Seller's Property Lawyers those Title Documents and the Other Title Documents which have not been returned to the Seller's Lawyers or the Seller's Property Lawyers prior to the date of this Settlement Agreement;
- (b) other than the Title Documents and the Other Title Documents as set out in Clause 4.1(a), deliver up to the Seller's Lawyers, or (subject to prior written approval of the Seller or the Seller's Lawyers) destroy, the Disclosed Documents and the Other Documents; and
- (c) at the request of the Seller, the Seller's Lawyers and/or the Seller's Property Lawyers, confirm in writing that it has complied with its obligations under this Clause 4.1.

4.2 Nothing in Clause 4.1 shall prevent the Purchaser from keeping copies of any of the Title Documents, the Other Title Documents, the Disclosed Documents and the Other Documents for audit, legal, accounting or compliance of regulatory requirements purposes.

5. TERMINATION OF THE SPA

5.1 In consideration of the forfeiture of the Initial Deposit by the Seller and the payment of the Settlement Sum by the Purchaser to the Seller, the Parties agree that with effect from (and inclusive of) the Effective Date,

- (a) each Party confirms that there is no outstanding or residual payment, amount, costs, expenses, claim, action, recourse, penalty and/or liability (whether past, present or future, actual or contingent) whatsoever receivable or owing from or made against any party to the SPA pursuant to or arising from or in connection with the SPA; and
- (b) the SPA shall be terminated and shall cease to have any effect, and each party to the SPA shall be released and discharged absolutely from all of and their respective duties, obligations, claims, demands and liabilities (whether past, present or future, actual or contingent) thereunder (including, for the avoidance of doubt, all accrued rights of the Seller under the SPA in connection with the Payment Default).

5.2 Subject to satisfaction of Clause 4, each Party confirms that, as at the Effective Date, there is no outstanding or residual payment, amount, costs, expenses, claim, action, recourse, penalty and/or liability (whether past, present or future, actual or contingent) whatsoever receivable or owing from or made against any Party pursuant to or arising from or in connection with this Settlement Agreement.

5.3 For the avoidance of doubt, the Purchaser and the Purchaser Guarantor acknowledge and confirm they have no claim whatsoever against the Seller Guarantor under or arising from the SPA or this Settlement Agreement, and this assurance is intended to benefit and be enforceable by the Seller Guarantor.

6. CONFIDENTIALITY AND ANNOUNCEMENT

6.1 Confidentiality

Subject to Clause 6.2, each Party shall treat as strictly confidential:

- (a) the existence, provisions or subject matter of this Settlement Agreement or of any document or agreement entered into pursuant to this Settlement Agreement;
- (b) the negotiations relating to this Settlement Agreement; and
- (c) all information received or obtained as a result of entering into or performing this Settlement Agreement which relates to any of the other Parties or the business, financial or other affairs of any of the other Parties.

6.2 Exceptions

A Party may disclose information referred to in Clause 6.1 (including by way of public announcement or the issue of a circular as required by the Listing Rules) which would otherwise be confidential if and to the extent that the disclosure is:

- (a) consented by the other Parties in writing in advance (which consent may not be unreasonably withheld or delayed and which may be given either generally or in a specific case or cases and may be subject to reasonable conditions);
- (b) required by the law of any relevant jurisdiction or by a court of competent jurisdiction;
- (c) required by the Listing Rules, or any securities or investment exchange or regulatory or governmental body to which a Party is subject wherever situated;
- (d) required to vest in that party the full benefit of this Settlement Agreement;
- (e) made to the Representatives (including professional advisers, auditors or bankers) of that Party or of any other member of the Seller's Group (in the case of the Seller) or of any other member of the Purchaser's Group (in the case of the Purchaser) subject to the condition that the Party making the disclosure shall procure that those persons comply with Clause 6.1 as if they were parties to this Settlement Agreement;
- (f) made to the officers or employees of that Party or of any other member of the Seller's Group (in the case of the Seller) or of any other member of the Purchaser's Group (in the case of the Purchaser) who need to know the information for the purposes of the transactions effected or contemplated by this Settlement Agreement subject to the condition that the Party making the disclosure shall procure that those persons comply with Clause 6.1 as if they were parties to this Settlement Agreement;
- (g) of information that has already come into the public domain through no fault of that Party;
- (h) of information of the kind referred to in Clause 6.1(c) which is already lawfully in the possession of that Party as evidenced by its or its professional advisers' written records and which was not acquired directly or indirectly from the other Party to whom it relates; or
- (i) of information relating to the terms of this Settlement Agreement and made or required to be made to the bankers of the Purchaser and/or the Purchaser Guarantor,

provided that:

- (1) any information disclosed pursuant to Clauses 6.2(b) or 6.2(c) in respect of this Settlement Agreement shall be disclosed only, if practicable, after notice to the other Parties (except where that notice is prohibited by law) and the disclosing Party shall take reasonable steps to consult and co-operate with the other Parties regarding the content, timing and manner of that disclosure; and

- (2) without prejudice to any provisions in this Settlement Agreement, the Purchaser shall provide such assistance and/or information to the Seller as may be reasonably required and necessary for the purpose of the making of announcement and the issuing of circular by SHL in respect of this Settlement Agreement as may be required under the Listing Rules. Where any information is provided by the Purchaser to the Seller in accordance with this provision, the Purchaser shall be deemed to have warranted that such information is true and correct to the best knowledge of the Purchaser.

6.3 No limit in time

The restrictions contained in this Clause 6 shall continue to apply after the rescission or termination of this Settlement Agreement shall continue to apply without limit in time.

7. LEGAL COSTS AND STAMP DUTY

- 7.1 Each Party shall be responsible for its own legal and other expenses incurred in the negotiation, preparation and execution of this Settlement Agreement.
- 7.2 (Where applicable) Any stamp duty payable to any Relevant Authority chargeable on this Settlement Agreement shall be jointly and severally borne by the Purchaser and the Purchaser Guarantor.

8. MISCELLANEOUS

- 8.1 The provisions of clauses 19 to 22, 23.3 of the SPA shall apply *mutatis mutandis* to this Settlement Agreement as though set out in full in this Settlement Agreement, save and except references to "this Agreement" in the aforesaid clauses of the SPA shall be replaced by "this Settlement Agreement".
- 8.2 The Purchaser and the Purchaser Guarantor confirm that they have sought independent legal advice, namely from the Purchaser's Lawyers and the Purchaser Guarantor's Lawyers respectively, in relation to the matters herein.

9. LAW AND JURISDICTION

9.1 Governing law

This Settlement Agreement shall be governed by and will be construed in accordance with Hong Kong law.

9.2 Jurisdiction

The Parties submit to the non-exclusive jurisdiction of the Hong Kong courts and each Party waives any objection to proceedings in Hong Kong on the grounds of venue or inconvenient forum.

10. RIGHTS OF THIRD PARTIES

Save where it is expressly provided in this Settlement Agreement that a particular provision is intended to benefit any person who is not a party to this Settlement Agreement, the Parties do not intend any term of this Settlement Agreement to be

enforceable pursuant to the Contracts (Rights of Third Parties) Ordinance (Cap.623).
Application of the said Ordinance is hereby expressly excluded.

[The remainder of this page is intentionally left blank.]

EXECUTED as an agreement by the Seller and the Purchaser and as a deed by the Seller Guarantor and the Purchaser Guarantor

The Seller

SIGNED by

Chan Wai Ling, Director

duly authorised for and on behalf of

WONDER EARNING LIMITED

whose signature is verified by:
~~in the presence of:~~

) *For and on behalf of*
WONDER EARNING LIMITED

)

)

)

)

)



Authorized Signature(s)

Signature of witness:

Name:

Title:



Leung Ho Yi Cherie
Mayer Brown
Solicitor, Hong Kong SAR

The Purchaser

SIGNED by *Wong Ka Wai*
Vivian,

duly authorised for and on behalf of

UNITED ENDEAVORS LIMITED

in the presence of:

)
)
)
)
)
)

For and on behalf of
UNITED ENDEAVORS LIMITED


.....
Authorized Signature(s)

Signature of witness: _____

Name:

Title:

Rebecca S.F. Lau
Solicitor HKSAR

The Seller Guarantor

SEALED with the Common Seal of)

TANG LUNG INVESTMENT)

PROPERTIES LIMITED)

登龍投資地產有限公司 and SIGNED by) ✕

Chan Wai Ling, Director ,)

as duly authorised by its board of directors)

whose signature is verified by:)

~~in the presence of:~~)



Handwritten signature

Signature of witness:

Name:

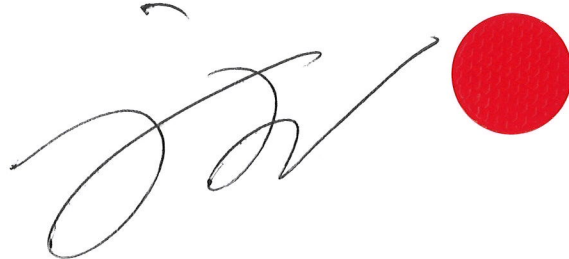
Title:

Handwritten signature of Leung Ho Yi Cherie

Leung Ho Yi Cherie
Mayer Brown
Solicitor, Hong Kong SAR

The Purchaser Guarantor


SIGNED SEALED and DELIVERED by)
TSUI YEE (who having been previously)
identified by the production of her Hong)
Kong Identity Card No. R136068(9)))
in the presence of:)



Signature of witness:

Name:

Title:



WONG Truman
Solicitor, Hong Kong SAR
lu, Lai & Li