

**PROPOSED ACQUISITION OF THE ENTIRE ISSUED SHARE CAPITAL OF
DAKIN HOLDINGS INC.**

This memorandum of understanding ("MOU") is entered into between Kong Shum Union Property Management (Holding) Limited (the "**Potential Purchaser**") and Mr. Chang Tin Duk, Victor (the "**Potential Vendor**") and sets out key terms upon which the parties have agreed in principle that the Potential Purchaser will acquire the entire issued share capital of Dakin Holdings Inc. (the "**Target Company**") from the Potential Vendor (the "**Proposed Acquisition**").

The provisions of Section A are subject to contract and not legally-binding. The provisions of Section B are intended to be legally-binding.

**SECTION A:
SUBJECT TO CONTRACT; NON-LEGALLY BINDING PROVISIONS**

- 1. Potential Purchaser:** Kong Shum Union Property Management (Holding) Limited, whose registered office is at Cricket Square, Hutchins Drive, P.O. Box 2681, Grand Cayman KY1-1111, Cayman Islands and whose head office and principal place of business in Hong Kong and correspondence address is at Unit 906, 9/F, Wings Building, 110-116 Queen's Road Central, Hong Kong (Fax No.: (852) 3970 4065).
- 2. Potential Vendor** Mr. Chang Tin Duk, Victor, a third party independent of the Potential Purchaser and its connected persons (as defined under the Rules (the "**GEM Listing Rules**") Governing the Listing of Securities on the Growth Enterprise Market of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**")), whose residential address and correspondence address is Flat 1877, Block 14, Parkview Heights, 88 Tai Tam Reservoir Road, Wong Nai Chung Gap, Hong Kong.
- 3. Target Company:** Dakin Holdings Inc., a company incorporated in the British Virgin Islands with limited liability (company number: 1865827) and having its registered office at P.O. Box 957, Offshore Incorporations Centre, Road Town, Tortola, British Virgin Islands, which, as at the date of this MOU, is wholly, legally and beneficially owned by Mr. Chang Tin Duk, Victor.
- 4. Target Group** Dakin Holdings Inc. and its subsidiaries (collectively, the "**Target Group**"), which (i) are licensed to carry on Type 1 (dealing in securities), Type 2 (dealing in futures contracts) and Type 6 (advising on corporate finance) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong); (ii) hold a money lender's license under the Money Lenders Ordinance (Chapter 163 of the Laws of Hong Kong); and (iii) have recently submitted an application to the Securities and Futures Commission of Hong Kong (the "**SFC**") for approval of the addition of Type 9 (asset management) regulated activity.
- 5. Assets to be acquired:** The entire issued share capital of Dakin Holdings Inc.
- 6. Consideration:** The consideration for the Proposed Acquisition and the manner of payment shall be further negotiated between the Potential Purchaser and the Potential Vendor and be determined in the Formal Agreement (as defined hereinafter).
- 7. Documentation:** (i) The formal agreement (the "**Formal Agreement**") to be entered into between the Potential Purchaser (or its designated wholly-owned subsidiary) and the Potential Vendor in relation to the Proposed Acquisition; and

- (ii) any other documents as may be required and/or agreed between the parties.

8. Conditions:

Completion of the Proposed Acquisition (“**Completion**”) shall be conditional on conditions which are customary in similar types of transactions, including but without limitation:

- (i) all necessary consents and approvals required to be obtained on the part of the Potential Purchaser and the Potential Vendor in respect of the Formal Agreement and the transactions contemplated thereunder having been obtained;
- (ii) if required, the passing by the shareholders of the Potential Purchaser at an extraordinary general meeting to be convened and held of necessary resolution(s) to approve the Formal Agreement and the transactions contemplated thereunder;
- (iii) the Potential Purchaser being satisfied with the results of the due diligence review on the Target Group;
- (iv) no material adverse change to the financial position or the affairs of the Target Group having occurred since the date hereof and since the signing of the Formal Agreement; and
- (v) the representations and warranties to be given by the Potential Vendor under the Formal Agreement remaining true, accurate, and complete in all material respects and not misleading as at Completion.

9. Board representation:

At Completion, the Potential Purchaser shall be entitled to nominate directors to the board of directors of members of the Target Group, details of which shall be agreed between the parties in the Formal Agreement.

10. Representations and warranties:

The Formal Agreement shall include the representations, warranties, undertakings and indemnities to be given by the Potential Vendor in relation to the Proposed Acquisition which are customary in similar types of transactions.

11. Governing law for the Formal Agreement:

The Formal Agreement shall be governed by the laws of Hong Kong.

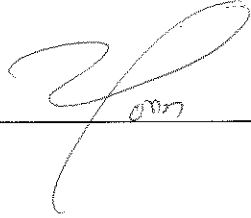
**SECTION B:
LEGALLY BINDING PROVISIONS**

- 1. Confidentiality:** The Potential Purchaser and the Potential Vendor agree that no announcement and/or no public disclosures (other than as required by law or required to be made in compliance with the GEM Listing Rules and/or the Codes on Takeovers and Mergers and Share Buy-backs issued by the SFC) on any matter connected with this MOU shall be made without the prior written approval of all parties. So far as reasonably practicable, each party shall in good faith consult about any proposed announcement and each party shall comply with such requests in respect thereof as the other parties shall reasonably make. The Potential Purchaser and the Potential Vendor further agree that they will not, and will procure that their respective directors, officers, employees, representatives and agents not to, disclose to any person who is not a direct participant in discussions concerning the Proposed Acquisition the status of the discussions or negotiations taking place or any of the terms, conditions or other facts with respect to the Proposed Acquisition.

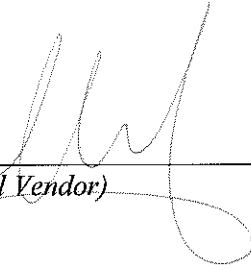
- 2. Exclusivity:** In consideration of the expenses to be incurred by the Potential Purchaser in the negotiation of this MOU and in conducting its due diligence review, in a 90-day period after the date of execution of this MOU (or such other period as may be agreed between the Potential Purchaser and the Potential Vendor in writing) (the “**Exclusivity Period**”), the Potential Purchaser shall have exclusive right to negotiate with the Potential Vendor in relation to the terms of the Proposed Acquisition. During the Exclusivity Period, the Potential Vendor shall not, and shall procure the members of the Target Group and its directors, officers, employees, representatives and agents not to, directly or indirectly (i) solicit, initiate or encourage inquiries or offers from, or (ii) initiate or continue negotiations or discussions with or furnish any information to, or (iii) enter into any agreement or statement of intent or understanding with, any person or entity other than the Potential Purchaser with respect to the sale or other disposition of the shares and/or business of members of the Target Group or the sale, subscription, or allotment of any part thereof or any other shares of members of the Target Group. If members of the Target Group or the Potential Vendor receive any such inquiry or offer, the Potential Vendor shall promptly notify the Potential Purchaser.

3. **Due diligence review:** During the Exclusivity Period, the Potential Purchaser and its advisers and/or agents may conduct due diligence review on, including but without limitation, the assets, liabilities, business, operations, affairs and subsisting status of the Target Group. The Potential Vendor shall provide and shall use their best endeavours to procure the Target Group and its agent to provide such assistance and information as is necessary for the Potential Purchaser to complete its due diligence review on the Target Group.
- Without prejudice to the foregoing, forthwith upon the signing of this MOU, the Potential Vendor shall assist the Potential Purchaser and its advisers and agents to have access to the corporate records, books of account and other documents of the Target Group and shall procure the Target Group to co-operate fully and to render all assistance in any financial or other investigations made by the Potential Purchaser and its advisers and agents and to supply all information and documents requested by them.
- The Potential Vendor shall also procure that all information and documents required pursuant to the GEM Listing Rules, all other applicable rules, codes and regulations whether in connection with the preparation of all circulars, reports, independent advice or otherwise are duly given to the Potential Purchaser, the Stock Exchange, the SFC and other relevant regulatory authorities.
4. **Notice:** Each notice, demand or other communication given, made or served under this MOU shall be in writing and delivered or sent to the relevant party by prepaid postage (by airmail if to another country), facsimile transmission or personal delivery to its correspondence address or fax number as set out on the first page of this MOU (or such other address or fax number as the addressee has by five days' prior written notice specified to the other parties).
5. **Costs:** Each party shall bear its own costs and expenses (including legal fees) incurred in connection with the preparation, negotiation, execution and performance of this MOU, the Formal Agreement and all documents incidental or relating to Completion.
6. **Amendments:** The provisions of this MOU may be amended only in writing signed by all the parties hereto. The rights and obligations pursuant to this MOU shall only be waived in writing signed by the party giving the waiver.
7. **Termination:** The MOU will be terminated at the earlier of:
- (i) the expiry of the Exclusivity Period; or
 - (ii) the date of execution of the Formal Agreement.
8. **Governing law:** This MOU is governed by the laws of Hong Kong and the parties hereto hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong.

Dated: 20 January 2017



(Potential Purchaser)
Eric TODD
For and on behalf of
Kong Shum Union Property Management (Holding) Limited



(Potential Vendor)
Chang Tin Duk, Victor