

## Strategic Partnership Framework Agreement

Party A: Kong Shum Union Property Management (Holding) Limited, located at Units 2201-3, 22/F Tai Tung Building, 8 Fleming Road, Wanchai, Hong Kong.

Party B: Crystal Properties Development Limited, located at Unit 04, 7/F Greenfield Tower, Concordia Plaza, 1 Science Museum Road, Tsimshatsui East, Kowloon, Hong Kong.

(Party A and Party B are collectively named as the "Parties" and individually named as the "Party".)

### 1. Purpose

This is an agreement on forming a strategic partnership on development and investment of old buildings in Hong Kong between Party A and Party B.

### 2. Mode of cooperation

- Party A is a property management company listed on The Stock Exchange of Hong Kong Limited (Stock Code: 8181) planning to develop the business of property development in Hong Kong, such as consolidation, assembly and redevelopments, trading and/or investment of properties.
- One of the possible avenues of property assembly is to leverage on Party A's relationship with owners of many old buildings in Hong Kong through its property management arm.
- Party B is a company incorporated in Hong Kong, which engages principally in the development of residential properties in Hong Kong and mainland China and is looking for property investment and redevelopment opportunities in Hong Kong.
- Each Party is interested to cooperate with each other on investment and re-development of old buildings in Hong Kong on a preferential (but not exclusive) basis. Party A will prefer firstly to offer Party B to invest in any of their potential property consolidation and redevelopment projects; and if Party B declines, Party A can offer such projects to any third parties. Similarly, for any property consolidation and redevelopment project of Party A which Party B intends to participate, Party B will prefer firstly to offer Party A to act as its acquisition agent for such project.
- Both Parties will further discuss the possibility of co-investment in these projects.

### 3. Further co-operation

- Both Parties will negotiate in good faith with a view to form a joint venture company at strategic level to acquire, retrofit, redevelop, and invest in old buildings in Hong Kong. The terms of the joint venture, including but not limited to the amount of capital required and the respective rights and obligations of the Parties, will be determined under a separate agreement.
- Both Parties will further discuss the possibility of forming joint venture company(ies) at project level to acquire, retrofit, redevelop, and invest in specific old buildings in Hong Kong.

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4. **Period of partnership:** 2 years from the date of this Agreement (or such other period as the Parties may agree).
5. **Confidentiality:** Save for the announcement in relation to, among other things, this Agreement to be published by Party A (which shall be reviewed and approved by Party B), each of the Parties agrees to keep this Agreement, all relevant discussions and all information provided by the other Party in relation to such discussion confidential, and should not disclose to a third party (other than their respective directors, officers, employees, representatives, agents and advisers) without the other Party's prior written consent.
6. **Legality:** Save for Clauses 5 and 7 herein, this Agreement is non-legally binding. Upon signing of this Agreement, both Parties will work together to arrive at legally binding agreement(s) either based on this Agreement, or by other vehicles or other modes of cooperation.
7. **Governing Law:** Clause 5 of this Agreement shall be governed by and construed and take effect in accordance with the laws of Hong Kong Special Administrative Region of the People's Republic of China.

Party A

For and on behalf of  
Kong Shum Union Property Management (Holding) Limited

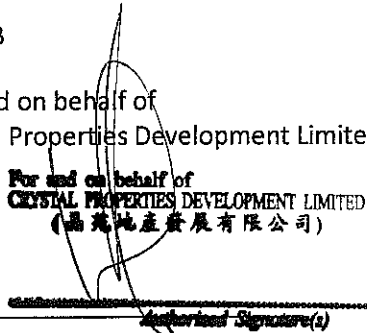


Name: Yan Chi Ming  
Title: Director  
Date: 13<sup>th</sup> June, 2016

Party B

For and on behalf of  
Crystal Properties Development Limited

For and on behalf of  
CRYSTAL PROPERTIES DEVELOPMENT LIMITED  
(晶苑地產發展有限公司)



Authorized Signature(s)

Name: Nick Lo  
Title: Chairman & CEO  
Date: 13<sup>th</sup> June, 2016

