

Buyer Copy.

3.5.24

Signed 31 pages

Share Sale and Purchase Agreement

- (1) SECOND CHANCE PROPERTIES LTD (AS SELLER)
- (2) U PROPERTY HOLDINGS PTE LTD (AS BUYER)

Mrs 

Contents

	Page
1 Definitions and Interpretation	2
2 Sale and purchase	6
3 Purchase Price	6
4 Terms of Sale	6
5 Conditions to Completion	7
6 Transitional Covenants	10
7 Completion	11
8 Warranties	12
9 Limitations on the Seller's Liability	13
10 Waiver	13
11 Assignment	14
12 Severability	14
13 Costs and expenses	14
14 Entire agreement	14
15 Variation	15
16 Partnership	15
17 Further assurance	15
18 Effect of Completion	15
19 Confidentiality	15
20 Announcements	16
21 Counterparts	16
22 Notices	16
23 Third Party rights	17
24 Governing law and jurisdiction	17
Schedule 1 – Details of the Target Company	19
Schedule 2 – Details of Property	20
Schedule 3 – Warranties	21



Share Sale Agreement

Dated: 10 MAY 2024

Between:

- (1) **SECOND CHANCE PROPERTIES LTD (UEN. 198103193M)** of 60 Paya Lebar Road, #07-20 Paya Lebar Square, Singapore 409051 (the "Seller");

And

- (2) **U PROPERTY HOLDINGS PTE LTD (UEN. 200823074E)** of 51 Ubi Avenue 1, #02-17/18, Paya Ubi Industrial Park, Singapore 408933 (the "Buyer").

Recitals:

- (A) The Seller is a public company incorporated in Singapore, whose shares are listed on the Mainboard of the SGX-ST (defined below). The Seller is the registered holder of the entire two (2) issued and paid-up ordinary shares (the "Shares") of **NEW CHANCE PROPERTIES PTE LTD (UEN. 199903952C)** ("Target Company") which is a company incorporated in Singapore, limited by shares.
- (B) The Target Company owns the property known as Block 710A Ang Mo Kio Avenue 8 #01-2625, Singapore 561710, the particulars of which are set out in **Schedule 2** (the "Property").
- (C) The Seller has agreed to sell and the Buyer has agreed to purchase from the Seller the Shares in accordance with the terms and subject to the conditions set out below.

It is agreed as follows:

1, Definitions and Interpretation

In this agreement unless inconsistent with the context or otherwise specified:

1.1 the following expressions have the following meanings:

"Accounts" means the audited financial statements of the Target Company as at 31 August 2023 as well as the unaudited financial statements of the Target Company ended on 30 April 2024 including the balance sheet, profit and loss, and cash flow statement made as at that date.;

"ACRA" means the Accounting and Corporate Regulatory Authority of Singapore;

"Act" means the Companies Act of Singapore, 1967;

"Authority" means any competent government agency, regulatory authority or other administrative body responsible for granting any consents, permits or approvals in Singapore and any particular country specified in this agreement;

"Balance Sheet Date" means 30 April 2024;

"Business" means the business of investment in properties for rental income;

MS. 

"**Business Day**" means a day other than a Saturday or Sunday or public holiday on which banks generally in Singapore are open for the transaction of normal banking business;

"**Buyer's Solicitors**" means Eldan Law LLP;

"**Completion**" means completion of the sale and purchase of the Shares in accordance with clause 7;

"**Completion Date**" has the meaning given to it in clause 7.1;

"**Conditions**" means the conditions as set out in clause 4.1;

"**Constitution**" means the constitution of the Target Company as defined by section 4(1) of the Act;

"**Deposit**" means the total sum of S\$475,000.00 (Four Hundred and Seventy-Five Thousand Singapore Dollars) representing five (5%) per cent of the Purchase Price;

"**Disclosure Letter**" means the letter dated no later than 21 Business Days prior to the Completion Date from the Seller to the Buyer disclosing certain exceptions to the Warranties for consideration by the Purchaser as to whether to waive the same;

"**Due Diligence Exercise**" has the meaning given to it in clause 5.1.2;

"**Encumbrance**" means a mortgage, charge, pledge, lien, option, restriction, assignment, right of first refusal, right of pre-emption, third-party right or interest, other encumbrance or security interest of any kind, or another type of preferential arrangement (including a title transfer and retention arrangement) having similar effect;

"**Existing Tenancy Agreements**" means the following tenancy agreements in respect of the Property:

<u>Unit</u>	<u>Tenant</u>	<u>Date of TA</u>	<u>Term</u>
#01-2625 (part)	Chee Hong Ting	28 September 2023	2 years from 1 Sep 2023
#01-2625 (part)	Poh Chye Huat Ernest	9 June 2022	2 years from 1 June 2022
#01-2625 (part)	Stevetay Pte Ltd	22 March 2024	1 year from 21 March 2024

"**Existing Tenants**" means the tenants under the Existing Tenancy Agreements.

"**Extended Completion Date**" has the meaning given to it in clause 7.1;

"**GST**" means goods and services tax charged under the Goods And Services Tax Act, Chapter 117A of Singapore;

"**K2**" means K2 F&B Holdings Limited, a company incorporated in the Cayman Islands with limited liability whose issued Shares are listed on Main Board of The Stock Exchange of Hong Kong Limited (stock code: 2108) and the ultimate holding company of the Buyer;

"**HDB**" means Housing & Development Board;

"**Letter of Offer**" means the Letter of Intent dated 3 April 2024 and accepted by the Seller on the same date;

"**Legal Requisitions**" means legal requisitions sent to the following authorities:

- (a) the Comptroller of Property Tax, IRAS;
- (b) Ministry of Environment, Environment Health Department;

M-S

3 

- (c) Public Utilities Board, Sewerage Department;
- (d) Land Transport Authority, Survey and Lands Department (Street Works);
- (e) Ministry of Environment, Pollution Control Department;
- (f) Land Transport Authority, Survey and Lands Department (Rapid Transit Systems);
- (g) Building and Construction Authority; and
- (h) Chief Planner, Urban Redevelopment Authority;

"**Management Accounts**" means the management accounts of the Target Company prepared on a consistent basis and using the same accounting standards as for the Accounts for the period ending two (2) weeks prior to the Completion Date, and includes the balance sheet, profit and loss, cash flow statement of the Target Company;

"**Parties**" means the parties to this agreement; and "**Party**" means any one of them;

"**Property**" means the property at 710A Ang Mo Kio Ave 8, #01-2625, Singapore 561710, described in Schedule 2;

"**Purchase Price**" has the meaning ascribed to it in Clause 3;

"**Seller's Solicitors**" means Keystone Law Corporation;

"**Shares**" has the meaning given to it in Recital A;

"**Target Company**" has the meaning given to it in Recital A;

"**Tax**" means the current applicable rate in respect of:

- (a) all taxes, levies and duties, all imposts or charges in the nature of taxation, and any withholdings or deductions in respect thereof or relating thereto, including development charge tax, corporation tax, income tax, capital gains tax, property tax, goods and services tax, inheritance tax, stamp duty (including seller's stamp duty, additional seller's stamp duty, buyer's stamp duty, additional buyer's stamp duty, and any additional conveyance duty for buyers and sellers) and all other taxes on net or gross income, profits or gains (whether deemed or actual), receipts, sales, turnover, use, occupation, development, franchise or employment, in each case whether of Singapore or elsewhere and regardless of whether the same are chargeable directly or primarily against a Party or any other person and whether any amount in respect thereof may be recoverable against any person; and
- (b) any interest, fine, penalty or surcharge relating to any item within (a) above or to any failure to comply with any procedural or other requirement in relation to any item within (a) above;

"**Tax Authority**" means the revenue and taxation authority of Singapore or any other relevant country having jurisdiction over the Target Company, the Buyer and/or Seller, as the case may be;

"**Warranties**" means the representations and warranties set out at Schedule 3 hereof;

- 1.2 references to any statute include any statutory instrument or regulations made under it and references to all or any part of any statute or statutory instrument include any statutory amendment, modification or re-enactment in force from time to time at the date of this agreement;
- 1.3 references to the recitals, clauses and the schedules and annexures are to the recitals, clauses of and the schedules and annexures of this agreement and any reference to a sub-clause or a paragraph is to

MS



the relevant sub-clause or paragraph of the clause or schedule or annexure in which it appears. The schedules, annexures and recitals form part of this agreement and shall have effect as if set out in full in the body of this agreement and any reference to this agreement includes the schedules, annexures and the recitals;

- 1.4 words importing gender include each gender;
- 1.5 references to persons include natural persons, bodies corporate, firms, partnerships, unincorporated associations, governments, foundations and trusts (in each case whether or not having separate legal personality);
- 1.6 the singular includes the plural and vice versa;
- 1.7 the table of contents and clause headings are included for the convenience of the Parties only and do not affect the agreement's interpretation;
- 1.8 any reference to a document being "**in the agreed form**" is to a document in a form agreed by the Parties
- 1.9 references to Singapore Dollars or the sign "**S\$**" shall mean the lawful currency of Singapore;
- 1.10 references to time of day are to Singapore time and date;
- 1.11 any obligation not to do anything shall be deemed to include an obligation not to suffer, permit or cause that thing to be done if it is within the power of the relevant person to prevent that thing being done;
- 1.12 any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms;
- 1.13 a "**subsidiary**" or "**holding company**" have the respective meanings given to them by section 5 of the Act;
- 1.14 the word "**company**", except where referring to the Target Company, shall be deemed to include any body corporate, partnership, undertaking or other body of persons, whether incorporated or not incorporated;
- 1.15 where a statement is qualified by the expression "**so far as the Seller is aware**" or "**to the best of the knowledge, information and belief of the Seller**", or any similar expression, that statement shall be deemed to include an additional statement that it has been made after due and careful enquiry by the Seller and the Seller has used all reasonable endeavours to ensure that all information given, referred to or reflected in that statement is accurate;
- 1.16 references to indemnifying, or to a payment being calculated, on an after-Tax basis means that, to the extent that the amount payable is subject to withholding or deduction for or on account of Tax or is chargeable to Tax in the hands of the recipient of the payment, the payment shall be increased so as to ensure that, after taking account of:
 - 1.16.1 any Tax required to be withheld or deducted from, and the Tax so chargeable in respect of, such payment (including on the increased amount); and
 - 1.16.2 any Tax credit, repayment or relief available to the recipient solely as a result of the matter giving rise to the payment, (the amount of Tax so chargeable and the amount of any such Tax credit, repayment or relief to be determined by the recipient, acting reasonably and in good faith and certified to the payer), the recipient of the indemnity payment is in no better and no



worse position than it would have been in had there been no such Tax or Tax credit, repayment or relief.

- 1.17 unless otherwise expressly stated or agreed, where provision is made for any payment to be made on a specific date, such payment shall be made for value by 3pm on the same day and any payment to be made under this agreement shall be made by electronic funds transfer (in immediately available funds in Singapore Dollars) to such account as shall previously have been notified by the Party due to receive such payment.

2 **Sale and purchase**

- 2.1 The Seller shall sell the Shares (and not part thereof) as legal and beneficial owner with full title guarantee and the Buyer shall purchase the Shares (and not part thereof) at the Purchase Price, free from all Encumbrances, together with all rights attaching or accruing to the Shares at or after Completion. The Purchase Price has been determined on the basis that the Target Company will have no assets whatsoever as at the Completion Date, save for the Property, and without any representation or covenant as to the value of the Property.
- 2.2 The Buyer shall not be obliged to complete the purchase of any of the Shares unless the purchase of all of the Shares is completed simultaneously, but completion of the purchase of some of the Shares shall not affect the rights of the Buyer in respect of its rights to the other Shares.

3 **Purchase Price**

- 3.1 The Purchase Price of the Shares shall be S\$9,500,000 (Nine Million Five Hundred Thousand Singapore Dollars), and the Buyer shall pay GST imposed by the relevant authority. The Purchase Price has been determined on the basis that the Target Company will have no assets as at the date of completion of the sale and purchase herein, save for the Property. The Purchase Price and GST payable thereon shall be payable by the Buyer in the following manner:

3.1.1 The Buyer has paid to the Seller the sum of Singapore Dollars Ninety Five Thousand (S\$95,000.00) being 1% of the Purchase Price pursuant to paragraph 3 of the Letter of Offer, and shall upon the execution of this Agreement pay to the Seller:-


- (a) the balance of the Deposit, amounting to Singapore Dollars Three Hundred and Eighty Thousand (S\$380,000.00) being 4% of the Purchase Price, by way of a cheque in favour of the Seller; and
- (b) GST payable on the Deposit (5% of the Purchase Price) by way of a cheque in favour of the Seller.

3.1.2 The Purchase Price, less the Deposit, ("**Balance Purchase Price**") and GST on the Balance Purchase Price shall be payable by way of a cashier's order in favour of the Seller on Completion in accordance with clause 7.

- 3.2 In the event that the sale and purchase cannot be completed and the inability to complete is not due to the default of the Buyer, the Deposit will be refunded, free of interest, to the Buyer without any deductions whatsoever.

4 **Terms of Sale**

- 4.1 The sale of the Shares is made upon the following terms and conditions:

M.S. 6 

- 4.1.1 the Buyer shall pay all stamp duties (including all applicable buyer's and additional buyer's stamp duty and additional conveyance duty (if any)) levied in respect of the Shares imposed on the Buyer by the Commissioner of Stamp Duties within the time stipulated and, if requested by the Seller, shall extend a copy of the certificate of stamp duty to it;
- 4.1.2 the Buyer shall pay GST on the Purchase Price;
- 4.1.3 title to the Property shall be in order and properly deduced and the Buyer shall not require the delivery or production of any deed, instrument, document or certificate of any nature or description not in the Seller's possession;
- 4.1.4 the Property is subject to the Existing Tenancy Agreements. The Buyer shall be deemed to have purchased the Shares with full knowledge and notice of and shall comply with all terms applicable to the Existing Tenancy Agreements and no objections or requisitions shall be made in respect thereof or to the absence of execution by any parties or the unavailability of the stamped or original copy of the Existing Tenancy Agreements. In the event that any or all of the said Existing Tenancy Agreements is/are no longer subsisting and/or the Property falls vacant on or before the Completion Date or Extended Completion Date by reason of expiry or termination of tenancy or otherwise, the Buyer shall accept vacant possession of the Property in the state in which it is in at completion and the Buyer shall not be entitled to any compensation or abatement of the Purchase Price in respect thereof;
- 4.1.5 the Seller shall be entitled to the rental and other sums due under the Existing Tenancy Agreements and any renewals thereof in respect of the period up to and including the actual day of completion.
- 4.1.6 the Property shall be delivered on Completion subject to the Existing Tenancy Agreements if they are subsisting at the Completion Date, in its present state and condition on an "as is" basis, and the Buyer shall be deemed to be satisfied with the same. In this regard, the Buyer is treated as having notice of the current authorised use of the Property, the actual state and condition of the Property as regards access, repair, light, air drainage and all other aspects and is deemed to have inspected the Property and no warranty or representation on the part of the Seller or the Seller's agent or representative is given or to be implied as to the state, quality, fitness or anything whatsoever and accordingly the Buyer shall not be entitled to make or raise any objection or requisition whatsoever in respect thereof and shall proceed with Completion of the sale and purchase of the Shares;
- 4.1.7 the Target Company owns the Property and the fixtures in the Property, but does not own the furniture and moveable items belonging to the tenants under the Existing Tenancy Agreements, or other parties.
- 4.1.8 the Property shall be delivered on completion subject to such restrictive and other covenants and conditions, party wall rights and other easement and reservations (if any) affecting the same, but shall otherwise be free from Encumbrance.


5 Conditions to Completion

- 5.1 Completion of the sale and purchase of the Shares is subject to the following conditions being satisfied, or waived in writing by the Buyer or Seller by written notice on or before the Completion Date or the Extended Completion Date, as the case may be:

M.S. 

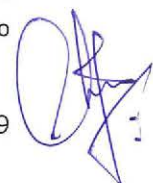
- 5.1.1 the receipt of all corporate approvals (including shareholders and board of directors' approval), if required, by the Seller, the Buyer and K2 in respect of the sale and purchase of the Shares;
- 5.1.2 satisfactory results of commercial, financial and legal due diligence exercise carried out on the Target Company ("**Due Diligence Exercise**"), and in the case of issues revealed by Due Diligence Exercise, the satisfactory provision of the relevant representations and/or warranties for these issues, such Due Diligence Exercise to be completed two (2) weeks prior to the Completion Date;
- 5.1.3 the Target Company being the legal and beneficial owner of the Property at Completion Date;
- 5.1.4 there being no unsatisfactory replies being received by the Purchaser's solicitors to all the Legal Requisitions in relation to the Property;
- 5.1.5 the Property or any part thereof not being affected by any notice of acquisition or intended acquisition by the Government, or any other competent authority given on or before the Completion Date;
- 5.1.6 the Target Company, at Completion, having discharged all Encumbrance, charges and obligations under or pursuant to any banking facilities extended to the Target Company;
- 5.1.7 the Target Company terminating the employment of all Employees, if any, on or before the Completion Date;
- 5.1.8 the Target Company settling all its liabilities on or before the Completion Date (including without limitation, any liabilities arising from the termination of the employment of the Employees and any tax liabilities); and
- 5.1.9 the Target Company as at the Completion Date having no indebtedness to any party (including but not limited to, its related corporations, directors and shareholders).
- 5.1.10 the obtaining of the written approval of HDB for the proposed sale and purchase of the Shares referred to in Clause 5.4 herein.
- 5.2 In respect of the Legal Requisitions under sub-clause 5.1.5:
- (a) any reply to any of the Legal Requisitions including any Road or Drainage Interpretation Plans, which is not received by the Buyer by the Completion Date, whichever is earlier, shall be deemed to be satisfactory;
- (b) no reply to any of the Legal Requisitions shall be deemed to be unsatisfactory if such a reply relates to any charges or notices affecting the Property which are capable of being rectified, discharged or complied with are so rectified, discharged or complied with by the Seller at the Seller's expense on or before the Completion Date;
- (c) any reply to any of the Legal Requisitions disclosing that the Property is adversely affected by any notice which the Seller is unable or unwilling to comply with shall be deemed to be unsatisfactory;
- (d) any approved road, back lane or drainage lines reserves or proposals shall be considered unsatisfactory if such lines reserves or proposals affect the building line of the Property regardless of whether the same is adopted or safeguarded or is to be implemented before or after the Completion Date PROVIDED that if such lines reserves or proposals will be

M.S.
8



implemented only if there is re-development of the Property, then the reply shall not be considered unsatisfactory; and

- (e) the Buyer shall not make any objection if any road line or proposal of whatsoever nature or extent on the Road Interpretation Plan is marked under Category 5.
- 5.3 Save as specifically excepted under clause 2 or waived in accordance with clause 5.1, if any of the Conditions has not been fulfilled on or before the Completion Date or Extended Completion Date, as the case may be, this agreement shall terminate with effect from that date.
- 5.4 The proposed sale and purchase of the Shares is subject to the written approval of HDB ("**Approval**") and subject to such terms and conditions whatsoever which HDB may at its absolute discretion impose, which terms and conditions shall be fully accepted and complied with by the Buyer or the Seller, as the case may be and at the Buyer's or Seller's cost and expenses, depending on whether such terms and conditions are to be complied by or imposed on the Buyer and/or the Seller.
- 5.5 The Buyer is fully aware of the present approved use of the Property and hereby unconditionally accepts the said usage. No warranty on the part of the Seller is given or is to be implied as to the suitability of the Property for any other purpose or usage.
- 5.6 The Buyer shall within fourteen (14) days from the date of this Agreement, apply to HDB (in accordance with all regulations, guidelines and procedures which may be prescribed by HDB and with all such particulars and documents which may be required by HDB) for approval to purchase the Shares, with copies of the same to be produced to the Seller's Solicitors within the said fourteen (14) days.
- 5.7 The Seller shall within fourteen (14) days from the date of this Agreement, apply to HDB (in accordance with all regulations, guidelines and procedures which may be prescribed by HDB and with all such particulars and documents which may be required by HDB) for approval to sell the Shares, with copies of the same to be produced to the Buyer's Solicitors within the said fourteen (14) days.
- 5.8 Each Party shall extend copies of all applications, subsequent correspondences between the Buyer and HDB and all approvals to the other Party within three (3) days of the date of such applications, correspondences or approvals (as the case may be) or such other time as the Parties' or its solicitors may stipulate.
- 5.9 The Parties shall choose to have an inspection of the Property (instead of submitting a "Declaration and Undertaking" to HDB), where applicable, and any fee, cost or expense payable in respect of such inspection shall be borne by the Buyer solely. In the event that there are unauthorized works found on the Property by HDB during the inspection which HDB requires to be rectified prior to completion, then the Seller shall rectify the unauthorized works at its cost and expense.
- 5.10 In the event that the application is refused by the HDB due to no default of either the Seller or the Buyer, the sale herein shall be rescinded. In that event, the Seller shall refund the Deposit paid by the Buyer herein to the Buyer without any interest or deduction and the Buyer shall return to the Seller or their solicitors all title deeds furnished to the Buyer and at the Buyer's cost withdraw any caveats and cancel any entries relating to the Property lodged by the Buyer. Each party hereto shall bear their own Solicitors' costs in the matter and neither party hereto shall have any claim or demand against the other party for damages, costs or otherwise whatsoever in the matter.
- 5.11 If this agreement terminates in accordance with clause 5.10 then the obligations of each Party shall automatically terminate save that the rights and liabilities of each Party which have accrued prior to


M.S. 9 

termination shall continue to subsist including those under clauses 1 (definitions and interpretation), 10 (waiver), 13 (costs and expenses), 14 (entire agreement), 15 (variation), 19 (confidentiality), 20 (announcements), 22 (notices), 23 (third party rights) and 24 (governing law).

6 Transitional Covenants

6.1 The Seller hereby covenants with the Buyer that the Target Company, from the date hereof to the Completion Date or Extended Completion Date, as the case may be, and except as approved otherwise in writing by the Buyer, shall:

- a) operate its business only in the usual, regular and ordinary manner;
- b) not enter into any unusual or onerous obligations of any nature;
- c) preserve and keep intact the Property ;
- d) maintain the Property in customary repair, order, condition, reasonable wear and use and damage by fire or unavoidable casualty excepted;
- e) comply in all respects with applicable laws and regulations to which it is subject;
- f) not amend its Constitution;
- g) not create, extend grant or issue or agree to create, extend grant or issue any mortgages charges debentures Encumbrances guarantees or other securities over any of the Company's fixed assets such as real property, plant and equipment in favour of a third party;
- h) enter into any long term or abnormal contract or capital commitment which is not capable of being terminated without compensation, save for contracts in the usual course of the Company's business or purchase of stocks-in-trade of the Company and other similar contracts;
- i) maintain its books, accounts and records in the usual, regular and ordinary manner;
- j) not pay or agree to pay to its directors or officers or any of them any remuneration or other emoluments or benefits whatsoever other than those disclosed in the accounting records of the Company or otherwise disclosed in writing to the Purchaser at the date of this Agreement;
- k) acquire any assets or dispose of any material part of its assets, excluding those in the course of its ordinary business without any prior written consent of the Purchaser and for this purpose, "**assets**" mean fixed assets such as real property, plant, and equipment of the Company;
- l) give notice to the Purchaser of any event or matter that may have a material adverse effect on its business operations, the Property or other assets and properties or financial position;
- m) not undertake any capital reduction or allot or issue any shares or grant any options or securities or issue any warrants or such acts that will dilute the interest of the Purchaser or in any way vary any rights attaching to the Shares;
- n) shall not take any steps with a view to merger, reorganization, scheme of contribution, winding up, administration, dissolution, liquidation or consolidation; and
- o) not enter into any transaction or cause any event to occur which would result in any of the warranties granted by the Vendor herein to be untrue or in part.

M.S. 10 

7 **Completion**

- 7.1 Completion shall take place at such place as the Parties shall mutually agree on the expiry of: (a) sixteen (16) weeks from the date of this Agreement; or (b) four (4) weeks from the Approval ; or (c) in the event a conditional approval is received from HDB, four (4) weeks from the date that the HDB confirms that all unauthorized works in the Property have been rectified, whichever is the later ("**Completion Date**"), unless the Completion Date is mutually extended to such other date as may be agreed by the Parties in writing ("**Extended Completion Date**").
- 7.2 If the inability to obtain the Approval is attributable to the Buyer's default, the Deposit paid by the Purchaser herein shall be forfeited and belong to the Vendor without prejudice to any of the Vendor's other rights and remedies.
- 7.3 If the inability to obtain the Approval is attributable to the Seller's default and the Seller is unable to remedy the default to the satisfaction of HDB, the Buyer may rescind this Agreement, but subject to the Buyer's right to claim for all loss, damage and expense against the Seller.
- 7.4 On the Completion Date or Extended Completion Date, as the case may be, the Seller shall deliver to the Buyer:
- 7.4.1 an instrument of transfer in the agreed form in respect of the Shares duly executed by the Seller as the transferor of the Shares in favour of the Buyer, accompanied by the share certificate(s) in the name of the Seller relating to the Shares;
 - 7.4.2 resolutions passed by the board of directors of the Target Company:
 - (i) approving the transfer of the Shares to the Buyer;
 - (ii) authorising the issue of the new share certificate(s) in respect of the Shares in favour of the Buyer or to his nominee;
 - (iii) appointing such person(s) as the Buyer may nominate as directors of the Target Company and signatories of the Target Company's bank account(s) with effect from Completion;
 - (iv) accepting the resignation as a Director of the Company of Mohamed Hasan Marican s/o Kadir Mohideen Saibu Maricar and Mohamed Salleh s/o Kadir Mohideen Saibu Maricar ; and
 - (v) approving the entering in the Register of Members of the Target Company, the name of the Buyer as holder of the Shares.
 - 7.4.3 Letters of Resignation as Directors of the Company with immediate effect of Mohamed Hasan Marican s/o Kadir Mohideen Saibu Maricar and Mohamed Salleh s/o Kadir Mohideen Saibu Maricar ;
 - 7.4.4 such other documents (including waivers or consents by such relevant parties) as may be required to give a good and effective transfer of title of the Shares to the Buyer (or his nominee) and to enable the Buyer to become the registered holder thereof;
 - 7.4.5 documentary proof that all property tax, expenses, outgoings and levies imposed on or affecting the Property has been paid down to and including the Completion Date; and
 - 7.4.6 any extra set of keys, key fobs and access cards which the Seller may have in its possession.


M.S.



- 7.5 In exchange for the delivery of the items set out in Clause 7.4 above, the Buyer shall pay the Balance Purchase Price and GST thereon as may be authorized and directed by the Seller under clause 3 of this Agreement. In addition, the Buyer shall pay to the Seller by way of a cashier's order in favour of the Seller, the apportioned amount of prepayments and deposits made by the Target Company, for utilities, town council fees, and property tax, in relation to the period after the Completion Date or Extended Completion Date, as the case may be, but subject to the Seller accounting for the rental deposits paid under the Existing Tenancy Agreements.
- 7.6 On Completion, the Buyer shall deliver and shall procure that there be delivered to the Seller:
- 7.6.1 Certified true copies of the board resolutions of the Buyer:
- (a) Approving the performance by the Buyer of its obligations under this Agreement, including the acquisition of the Shares; and
 - (b) Authorising the execution and delivery by any director of the Buyer of this Agreement and all other documents and agreements ancillary or pursuant to or in connection with the purchase of the Shares.
- 7.6.2 On satisfaction of Clause 7.2.1 (share transfer form) and Clause 7.3 (payment of the Balance Purchase Price and GST thereon) above, the certificate of stamp duty evidencing the payment of the stamp duty by the Buyer in respect of the Shares.
- 7.7 If Completion does not take place on the Completion Date or Extended Completion Date, as the case may be, because a Party fails to comply with any of its obligations under this clause 7, the Party not in default may by written notice to the other:
- 7.5.1 proceed to Completion to the extent reasonably practicable; or
 - 7.5.2 terminate this agreement, except clauses 1 (definitions and interpretation), 10 (waiver), 13 (costs and expenses), 14 (entire agreement), 15 (variation), 19 (confidentiality), 20 (announcements), 22 (notices), 23 (third party rights) and 24 (governing law), all of which shall remain in full force and effect.

8 Warranties

- 8.1 The Seller represents and warrants to the Buyer that each Warranty is true, accurate and not misleading and the Seller is aware and acknowledges that the Buyer has entered into this agreement in reliance on the Warranties.
- 8.2 The Warranties shall be deemed to be repeated immediately prior to Completion by reference to the facts and circumstances as at the Completion Date. For this purpose, an express or implied reference in a Warranty to the "date of this agreement is to be construed as a reference to the "Completion Date".
- 8.3 The rights and remedies of the Buyer in respect of any breach of the Warranties shall not be affected by Completion or by any information relating to the Target Company of which the Buyer or any of its agents or advisers has knowledge (however acquired and whether actual, imputed or constructive) which is not disclosed in the Disclosure Letter in accordance with clause 9.1.
- 8.4 Each of the Warranties is separate and independent and unless otherwise expressly provided shall not be limited by reference to any other Warranty or anything in this agreement.

M.S.


8.5 Without restricting the rights of the Buyer or the ability of the Buyer to claim damages on any basis available to it, if there is a breach of a Warranty, the Seller shall pay the Buyer on demand (at the Buyer's option) an amount (calculated on an after-Tax basis) equal to either:

8.5.1 the reduction caused in the value of the Shares; or

8.5.2 if:

- (a) the value of an asset of the Target Company is or becomes less than the value would have been had the breach not occurred; or
- (b) the Target Company is subject to or incurs a liability or an increase in a liability which it would not have been subject to or would not have incurred had the breach not occurred, the reduction in the value of the asset or, as the case may be, the amount of liability or increased liability,

together with all losses, costs and expenses incurred by the Buyer as a result of such breach.

8.6 The Seller will give the Buyer all such information and documentation relating to the Target Company as the Buyer shall reasonably require to enable it to satisfy itself as to whether there has been any breach of the Warranties.

9 Limitations on the Seller's Liability

9.1 The Seller shall not be liable for any claim for a breach of the Warranties if and to the extent that the fact, matter, event or circumstance giving rise to such claim was disclosed in the Disclosure Letter (being a fair and accurate disclosure, disclosed in such manner and with sufficient detail as to enable a reasonable buyer to make an informed and accurate assessment of the matter concerned). No letter, document or other communication shall be deemed to be disclosed unless and to the extent that the same is referred to in, and a copy attached to, the Disclosure Letter.

9.2 The Seller shall not be liable for any claim under the Warranties if and to the extent that the claim or the events giving rise to the claim would not have arisen but for an act, omission or transaction carried out at the written request of the Buyer prior to Completion.


9.3 The Buyer will take or procure the taking of such reasonable steps to mitigate any claim under the Warranties, subject to the Buyer being indemnified and secured to its reasonable satisfaction against all reasonable costs and expenses incurred in connection therewith.

9.4 This clause 9 does not apply in respect of a claim involving or relating to breach of a Warranty contained in paragraphs 1, 2.3 and 2.4 of Schedule 2 (capacity and ownership of and encumbrances over the Shares).

9.5 This clause 9 does not apply in respect of a claim involving or relating to a breach of any Warranty that arises or is delayed as a result of dishonesty, fraud, wilful misconduct or wilful concealment by the Buyer, its agents or advisers.

10 Waiver

10.1 A waiver of any term, provision or condition of, or consent granted under, this agreement shall be effective only if given in writing and signed by the waiving or consenting party and then only in the instance and for the purpose for which it is given.

M.S. 13 

- 10.2 No delay or failure by the Buyer to exercise any of its powers, rights or remedies under this agreement shall operate as a waiver of them, nor shall any single or partial exercise of any such powers, rights or remedies preclude any other or further exercise of them. The remedies provided in this agreement are cumulative and not exclusive of any remedies provided by law.

11 Assignment

- 11.1 The benefit of any provision in this agreement may be assigned by the Buyer to its successors in title without the consent of the Seller, and to any third party only with the consent of the Seller.

- 11.2 The Seller may assign the benefit of any provision in this agreement to its successors in title without the consent of the Buyer, and to any third party only with the consent of the Buyer.

12 Severability

- 12.1 If any part of this agreement is found by any court or other competent authority to be invalid, illegal or unenforceable then such part shall be severed from the remainder of this agreement which shall continue to be valid, legal and enforceable to the fullest extent permitted by law.

- 12.2 The Parties agree, in the circumstance referred to in clause 12.1, to attempt to substitute for any invalid, illegal or unenforceable provision a valid, legal and enforceable provision which achieves to the greatest extent possible the same effect as would have been achieved by the invalid, illegal or unenforceable provision. The obligations of the Parties under any invalid, illegal or unenforceable provision of this agreement shall be suspended while an attempt at such substitution is made.

13 Costs and expenses

Each Party shall pay its own costs and expenses incurred in the negotiation, preparation, execution, implementation, completion and enforcement of this agreement and in relation to the satisfaction of any Condition set out in clause 5.1.

14 Entire agreement

- 14.1 This agreement constitutes the entire agreement and understanding between the Parties in relation to their subject matter and supersedes any previous agreement between the Parties in relation to its subject matter, other than those contained in the Letter of Intent.

- 14.2 Each of the Parties acknowledges and agrees that in entering into this agreement, it does not rely on, and shall have no right or remedy in respect of, any agreement, representation, warranty, statement, assurance or undertaking of any nature whatsoever (other than those expressly set out in this agreement) made by or given by any person (including advisers to the Buyer, advisors to the Seller, any member of the Buyer's group of companies and/or any member of the Seller's group of companies) prior to the date of this agreement other than those contained in the Letter of Intent, and all conditions, warranties or other terms implied by statute or common law are excluded to the fullest extent permitted by law.

- 14.3 Nothing in this clause 14 shall limit or exclude any liability for fraud.

- 14.4 Members of the Buyer's group of companies (except the Buyer), members of the Seller's group of companies (except the Seller), advisers to the Buyer, advisers to the Seller and providers of finance to the Buyer may enforce the terms of this clause 14 subject to and in accordance with the provisions of the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore.

15 **Variation**

Except as otherwise permitted by this agreement, no change to its terms shall be effective unless it is in writing and signed by or on behalf of each Party.

16 **Partnership**

Nothing in this agreement shall create or be deemed to create a partnership or joint venture of any kind or the relationship of principal and agent or employer and employee between any of the Parties and neither Party shall be responsible for the acts or omissions of the employees or representatives of the other Party.

17 **Further assurance**

Upon demand by the Buyer, the Seller will at its expense execute all further documents and do all such acts and things as the Buyer shall require for the purpose of vesting in the Buyer the full legal and beneficial title to the Shares and otherwise giving the Buyer the full benefit of this agreement.

18 **Effect of Completion**

The terms of this agreement including without limitation any stamp duty payable that has not been paid by the relevant Party (insofar as they have not been performed at Completion and subject as specifically otherwise provided in this agreement) shall continue in force after and notwithstanding Completion.

19 **Confidentiality**

19.1 Each Party agrees with the other not at any time to use for its own purposes or divulge or cause or enable any person to become aware of, and to make every effort to prevent the use or disclosure of, any confidential information of any nature whatsoever directly or indirectly concerning the business affairs, finances, suppliers, customers, trade processes or contractual or other arrangements of the other, and to treat as confidential the terms and subject matter of, and negotiations relating to, this agreement and all information obtained as a result of entering into this agreement which relates to the other.

19.2 A Party may disclose any information that it is otherwise required to keep confidential to the extent:

19.2.1 required or requested by law or any competent statutory or regulatory body or any recognised stock exchange on which the shares of that Party are listed;


19.2.2 required to protect the disclosing party's interest in any legal proceedings;

19.2.3 required to a tax authority in connection with the tax affairs of the disclosing party or a company connected with the disclosing party;

19.2.4 disclosure is made to the disclosing party's professional advisers on a need-to-know basis; or

19.2.5 the information is or becomes publicly available (other than by breach of this agreement),

Provided that prior to disclosure or use of any confidential information pursuant to clauses 19.2.1, 19.2.2 or 19.2.3, the disclosing party shall consult with the other party (where practicable) and take into account the reasonable comments of that other party.

M.S. 15 

20 **Announcements**

- 20.1 No announcement, circular or communication in connection with this agreement or any matter arising from the agreement shall be made or issued by or on behalf of the Parties without the prior written consent of the other party which shall not be unreasonably withheld.
- 20.2 The restrictions in clause 20.1 shall not apply to any statement which is required to be made by law or by any applicable regulatory body or by the rules of the Singapore Exchange on which the shares of the Parties are listed provided that any part of such statement describing the Parties is issued only after prior consultation (where practicable) with the relevant Party.

21 **Counterparts**

- 21.1 This agreement may be executed in any one or more number of counterparts each of which, when executed, shall be deemed to form part of and together constitute this agreement.
- 21.2 Delivery of an executed signature page of a counterpart by facsimile transmission or in Adobe™ Portable Document Format (PDF) sent by electronic mail shall take effect as delivery of an executed counterpart of this agreement. If either method is adopted, without prejudice to the validity of such agreement, each Party shall provide the other[s] with the original of such page as soon as reasonably practicable thereafter.

22 **Notices**

- 22.1 Any notice or other communication to be given under this agreement shall be in writing in English and shall be delivered by e-mail, hand, registered post or by courier (using a generally recognised courier service) to each Party required to receive the notice or communication at its address as set out below:

Seller: SECOND CHANCE PROPERTIES LTD (UEN. 198103193M)

Address: 60 Paya Lebar Road, #07-20 Paya Lebar Square, Singapore 409051

For the attention of: Mohamed Salleh s/o Kadir Mohideen Saibu Maricar/Dev Pisharody

E-mail: mohdsalleh@aecondchance.com.sg/dev@secondchance.com.sg

Buyer: U PROPERTY HOLDINGS PTE LTD (UEN. 200823074E)

Address: 51 Ubi Avenue 1, #02-17/18, Paya Ubi Industrial Park, Singapore 408933

For the attention of: Chu Chee Keong

E-mail: ckchu@fuchangroup.com

- 22.2 Any notice or other communication shall be effective upon receipt and shall be deemed to have been duly received:

- 22.2.1 at the time of delivery if delivered by hand, registered post or courier;
- 22.2.2 at the time of transmission, if sent by e-mail;

M.S.

Provided that where such delivery or transmission occurs after 5 p.m. on a Business Day or on a day which is not a Business Day, service shall be deemed to occur at 9 a.m. on the next following Business Day.

- 22.3 A Party may change the address, e-mail address, and the relevant addressee for the purpose of clause 22.1 of the person for whose attention notices are to be addressed by serving a notice on the other in accordance with this clause 22.


23 Third Party rights

- 23.1 Save as expressly stated in clause 14.4 of this agreement, the Parties to this agreement do not intend any of its terms to be enforceable pursuant to the Contracts (Rights of Third Parties) Act (Chapter 53B) of Singapore by any person who is not a party to this agreement. No third party's consent shall be required for the waiver variation or termination of any part of this agreement.

24 Governing law and jurisdiction

- 24.1 This agreement and any non-contractual obligations arising from or in connection with it shall in all respects be governed by and interpreted in accordance with Singapore law.
- 24.2 The Parties irrevocably agree that the Courts of Singapore are to have exclusive jurisdiction over any dispute (a) arising from or in connection with this agreement and/or (b) relating to any non-contractual obligations arising from or in connection with this agreement.

[Execution page to follow]

M.S. 17 

IN WITNESS WHEREOF the Parties have signed this Agreement on the date first stated on page 2 above.

Signed by)

For and on behalf of the Seller)

In the presence of)

DEV PISHARODY
Dev Pisharody

SECOND CHANCE PROPERTIES LTD

Mohd. Salleh
.....
Chairman & Managing Director

Signed by *Chu Chee Keong*)

For and on behalf of the Buyer)

In the presence of)

X *[Signature]*



X *[Signature]*
chu pok chong Ivan

[Signature]

M.S

Schedule 1 – Details of the Target Company


Country of incorporation	Singapore
Company number	199903952C
Date of incorporation	10 July 1999
Registered address	60 Paya Lebar Road #07-20 Paya Lebar Square Singapore 409051
Tax residence	Singapore
Issued share capital as at date of this agreement	S\$2, divided into 2 ordinary shares registered in the name of Second Chance Properties Ltd
Directors	Mohamed Hasan Marican s/o Kadir Mohideen Saibu Maricar and Mohamed Salleh s/o Kadir Mohideen Saibu Maricar
Secretary	Mohamed Hasan Marican s/o Kadir Mohideen Saibu Maricar
Auditors	CLA Global TS Public Accounting Corporation
Accounting reference date	31 August



Schedule 2 - Legal Description of the Property

BLOCK 710A ANG MO KIO AVENUE 8 #01-2625

LOT NO. MK18-U78730M

M.S.

20

Schedule 3 - Warranties

1 Capacity and authority

1.1 Incorporation and existence

The Target Company is a private company limited by shares and incorporated under the laws of Singapore, and has been in continuous existence since incorporation.

The Target Company is in good standing, and has not been subject to any regulatory sanction for any breach under any applicable laws.

1.2 Right, power, authority and action

1.2.1 The Seller has the right to exercise all voting and other rights over the Shares and has the right, power and authority and has taken all action necessary to execute and deliver, and to exercise its rights and perform its obligations under, this agreement and each document to be executed at or before Completion and such exercise and performance does and will not result in a breach of any obligation by which the Seller is bound.

1.2.2 The Target Company has the right, power and authority to conduct the business as conducted at the date of this agreement.

1.2.3 All licences, consents, authorisations, orders, warrants, confirmations, permissions, certificates, approvals, registrations, permits and authorities ("Licences"). necessary for the carrying on of the business of the Target Company have been obtained and are in full force and effect and all conditions attached to the Licences have been and are being complied with. The Target Company is not in any circumstances that would result in the cancellation of any Licences.

1.3 Binding agreements

The Seller's obligations under this agreement and each document to be executed at or before Completion are, or when the relevant document is executed will be, enforceable in accordance with their terms.


2 The Target Company

2.1 The details shown in Schedule 1 relating to the Target Company are accurate and complete in all respects.

2.2 A true and complete copy of the Accounts and of the Constitution of the Target Company have been disclosed to the Buyer and any further Accounts including Management Accounts shall be annexed to the Disclosure Letter and shall be true, complete and accurate.

2.3 The Seller is legally and beneficially entitled to or is able to procure the sale and transfer of the Shares and their full legal and beneficial ownership on the terms of this agreement free from any Encumbrance and no consent of any third party is required in relation to such sale and transfer.

2.4 The whole of the issued share capital of the Target Company is beneficially owned by the Seller, free from any Encumbrance or will be free from Encumbrance as at Completion.

M.S. 21 

- 2.5 The Target Company does not have any subsidiary undertaking.
- 2.6 Other than the Property that is registered in the name of the Target Company, the Target Company does not have any other assets, property, interest in any shares or other security or investment in any body corporate nor has it agreed to, or has the right to, acquire any such interest.
- 2.7 There is no outstanding or any indebtedness or other liability (actual or contingent) owing by the Target Company to the Seller or to any director or employee of the Seller or to any person connected with the Seller nor is there any indebtedness or other such liability owing to the Target Company by any such person.
- 2.8 No shares in the Target Company have been issued and no transfers of shares have been registered otherwise than in accordance with the Constitution and any necessary permissions were obtained for each issue and transfer of shares, loan stock or other securities of the Target Company.
- 2.9 Since the date of this agreement, there has been no issue nor transfer of any shares of the Target Company, save where a capitalisation of debt has taken place.
- 2.10 There are no options or other agreements or arrangements outstanding which call for the sale, transfer, issue, allotment, conversion, redemption or repayment of, or accord to any person the right (whether exercisable now or in the future and whether contingent or not) to call for the sale, transfer, issue, allotment, conversion, redemption or repayment of, any shares, loan stock or other securities of the Target Company.

3 Accounts

3.1 General

The Accounts:


- 3.1.1 have been prepared on a basis consistent with previous accounts of the Target Company in accordance with the law and applicable principles, standards and practices generally in Singapore;
- 3.1.2 show a true, full and accurate view of the assets, liabilities, financial position and state of affairs of the Target Company and of the profits and losses for the Target Company for the financial period ended;
- 3.1.3 are not affected by any extraordinary, exceptional or non-recurring items and do not include transactions not normally undertaken by the Target Company;
- 3.1.4 make full provision or reserve for all actual liabilities and contain proper provision or reserve for or notes of all contingent liabilities or capital or burdensome commitments (including all contingent or deferred liability to Tax).

3.2 Accounting records

The Target Company's accounting records are up to-date, in its possession or under its control and are fully and accurately completed in accordance with the law and applicable standards, principles and practices generally accepted in Singapore.

3.3 Management Accounts

M.S. 22



The Management Accounts have been prepared on basis consistent with previous management accounts and in accordance with the standards, principles and practices used in the preparation of the Accounts, and show with reasonable accuracy the financial position of the Target Company as at and for the period in respect of which they have been prepared.

4 Events since the Balance Sheet Date

Since the Balance Sheet Date:

- 4.1 the Target Company has not entered into any transaction or assumed or incurred any liabilities (including contingent liabilities) or made any payment not provided for in the Accounts otherwise than in the ordinary course of carrying on its business;
- 4.2 The Target Company has not borrowed or raised any money or taken any financial facility, or repaid or agreed to repay any loan capital or borrowed moneys in whole or in part or by reason of any default by it of its obligations become bound or liable to be called upon to repay prematurely any loan capital or borrowed moneys;
- 4.3 no sum has been paid or voted to any director or employee (or ex-director or ex-employee) of the Target Company by way of remuneration or otherwise in excess of the rates paid to him by the Target Company as at the Last Financial Year End and no new service agreements have been entered into by the Target Company;
- 4.4 no resolution has been passed or circulated by the Target Company nor the Seller (or any class of its members) in relation to the Target Company, except for those representing the ordinary business of an annual general meeting since the Last Financial Year End and in respect of the sale and transfer of the Shares under this agreement.

5 Effect of sale

Neither the execution nor performance of this agreement or of any ancillary document to be executed at or before Completion will:

- 5.1 result in a breach of or give rise to an event of default under, or require the consent of a person under, or relieve a person from, an obligation of an agreement, arrangement or obligation to which the Seller or the Target Company is a party;
- 5.2 enable any person to terminate, determine any obligation to or any right or benefit enjoyed by the Target Company or to exercise any right under an agreement or arrangement to which the Target Company is a party or any legal or administrative requirement by which the Target Company is bound;
- 5.3 result in any indebtedness of the Target Company becoming due or capable of being declared due and payable prior to its stated maturity;
- 5.4 give rise to or cause to become exercisable any right of pre-emption over the Shares; and
- 5.5 result in a breach of a legal or administrative requirement in Singapore.

6 Bank accounts and loans

- 6.1 The Target Company does not have any bank account or deposit account other than those listed in the Disclosure Letter which show the credit or debit balances thereon as at a date



of the Disclosure Letter, and no payments out of such accounts will be made except for routine payments.

- 6.2 There are no loans made by or to the Target Company outstanding except as shown in the Accounts and all amounts outstanding and appearing in the Accounts as loan accounts or as due to directors or shareholders or any persons connected with them wholly represent money or money's worth paid or transferred to the Target Company or remuneration accrued due and payable for services rendered and (save for such remuneration) no part thereof has been provided directly or indirectly out of the assets of the Target Company.
- 6.3 There are no overdrafts, loans or other financial facilities outstanding or available to the Target Company other than those listed in the Disclosure Letter (if any) and true and correct copies of all documents relating to such facilities are annexed to the Disclosure Letter, and neither the Seller nor the Target Company has done anything whereby the continuance of any such facilities in full force and effect might be affected or prejudiced.

7 Tax

Tax and the Accounts

- 7.1 The Target Company has no liability in respect of Tax (whether actual or contingent):
- 7.1.1 in any part of the world assessable or payable (which has not been paid) by reference to profits, gains, income or distributions earned, received or paid or arising or deemed to arise on or at any time prior to the Balance Sheet Date or in respect of any period starting as and from the Balance Sheet Date ; or
- 7.1.2 referable to transactions effected on or after the Balance Sheet Date,
- that is not disclosed in the Disclosure Letter or provided for in the Accounts and/or the Management Accounts.
- 7.2 Other than its interest in the Property and rental of the Property, the Target Company does not carry on any other business or trade.

Records and disputes etc

- 7.3 All returns, computations, notices, statements, reports or information which ought to have been made or submitted by or in respect of the Target Company for any Tax purpose have been properly and punctually made and submitted to the relevant Tax Authority; all such returns, computations, notices, accounts, statements, reports and information were, when made or submitted, materially up-to-date and correct (and, so far as the Seller is aware, remain materially correct).
- 7.4 The Target Company has in its possession and control all records and documentation which are required to be held, preserved or retained for any Tax purpose and, so far as the Seller is aware, the Target Company has sufficient records to calculate the Tax liability which would arise on any disposal or realisation of any asset owned by the Target Company.
- 7.5 The Target Company has duly submitted all claims, elections, disclaimers or withdrawals of claims which have been assumed to be made for the purposes of the Accounts.
- 7.6 So far as the Seller is aware, there is no dispute or disagreement outstanding, nor is any contemplated at the date of this agreement, with any Tax Authority regarding liability or

potential liability to any Tax of the Target Company or regarding the availability of any relief from Tax to the Target Company.

- 7.7 The amount of Tax chargeable on the Target Company during any accounting period ending on or within six years before the Balance Sheet Date has not, to any material extent, depended on any concession, agreement or other formal or informal arrangement with any Tax Authority.

Stamp taxes

- 7.8 All documents which are required to be stamped and which are in the possession of the Target Company or by virtue of which of the Target Company has any right have been duly stamped.
- 7.9 Since the Last Financial Year End and up to the date of the Management Accounts, the Target Company has not incurred any liability to stamp duty reserve tax or stamp duty land tax.

Anti-avoidance

- 7.10 The Target Company has not been involved in any transaction or series of transactions the main purpose, or one of the main purposes of which was the avoidance (or reduction) of a liability to Tax or the obtaining of a relief (or increased relief) from Tax.
- 7.11 The Target Company has not been party to any transaction forming part of notifiable arrangements under applicable laws relating to Disclosures of Tax Avoidance Schemes.

Non-arm's length transactions

- 7.12 All transactions or arrangements carried out, effected or entered into by the Target Company within the last six years have been on arm's length terms.

Intra-group transactions

- 7.13 The Target Company has not, at any time within the last six years, acquired any asset from another company which was, at the time of the acquisition, a member of the same group of companies as the Target Company for the purposes of any Tax.

Effect of Agreement and Completion

- 7.14 Neither execution of this agreement nor Completion will give rise to any Tax liability of the Target Company.

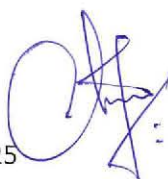
Residence etc

- 7.15 The Target Company is, and always has been, resident solely in Singapore for Tax purposes; Singapore is, so far as the Seller is aware, the only jurisdiction whose Tax Authority seeks to charge Tax on the income profits or gains of the Target Company; and the Target Company has not ever paid Tax on income profits or gains in any jurisdiction other than Singapore.

8

Environment and health and safety

- 8.1 The definitions in this paragraph apply in this agreement.

MS 25 

Environment: the natural and man-made environment including all or any of the following media: air (including air within buildings and other natural or man-made structures above or below the ground), water, land, and any ecological systems and living organisms (including man) supported by those media;

EHS Laws: all applicable laws, statutes, regulations, subordinate legislation, bye-laws, and judgments, decisions and injunctions of any court or tribunal, and legally binding codes of practice and guidance notes to the extent that they relate to or apply to the Environment, energy efficiency, climate change or the health and safety of any person;

EHS Matters: all matters relating to:

- (a) pollution or contamination of the Environment;
- (b) the presence, disposal, release, spillage, deposit, escape, discharge, leak, migration or emission of Hazardous Substances or Waste;
- (c) the exposure of any person to Hazardous Substances or Waste;
- (d) the health and safety of any person, including any accidents, injuries, illnesses and diseases;
- (e) the creation or existence of any noise, vibration, odour, radiation, common law or statutory nuisance or other adverse impact on the Environment; or
- (f) the condition, protection, maintenance, remediation, reinstatement, restoration or replacement of the Environment or any part of it;

EHS Permits: any permits, licences, consents, certificates, registrations, notifications or other authorisations required under any EHS Laws for the operation of the Business or in relation to the Property;


Harm: harm to the Environment, and in the case of an individual, harm to their person or property;

Hazardous Substances: any material, substance or organism which, alone or in combination with others, is capable of causing Harm;

Waste: any waste, including any by-product of an industrial process and anything that is discarded, disposed of or abandoned.

- 8.2 The Target Company has at all times operated in compliance with all EHS Laws in force from time to time and there are no facts or circumstances that may lead to any breach of or liability under any EHS Laws or any claim or liability in respect of EHS Matters.
- 8.3 There are no Hazardous Substances at, on or under, nor have any Hazardous Substances been emitted, escaped or migrated from, the Property.
- 8.4 There are, and have been, no landfills, underground storage tanks, or uncontained or unlined storage treatment or disposal areas for Hazardous Substances or Waste (whether permitted by EHS Laws or otherwise) present or carried out at, on or under or within the Property;

M.S.



- 14.1 In respect of the personal data held by the Target Company, it has at all times been processed by the Target Company fairly and lawfully and otherwise in compliance with applicable data protection legislations.

15 Employment

- 15.1 The Disclosure Letter contains complete and accurate details of:
- 15.1.1 all officers, employees, workers, self-employed contractors and consultants of the Target Company;
 - 15.1.2 all individuals to whom the Target Company has made an offer of employment or consultancy;
 - 15.1.3 all employees of the Target Company who may have a right to return following leave for maternity, incapacity or any other absence; and
 - 15.1.4 the job title of all employees and all remuneration payable and other benefits which the Target Company is obliged to provide (whether now or in the future) to each of its officers, employees and consultants, or former officers, employees or consultants including particulars of all commission, incentive, profit sharing, bonus and share option schemes which the Target Company has operated whether contractually binding on it or not together with the entitlement to notice of employees and consultants and the length of continuous employment of employees for the purposes of complying with applicable employment legislation.
- 15.2 The Target Company has, in relation to each of its officers, employees and consultants:
- 15.2.1 materially complied with its statutory and contractual obligations;
 - 15.2.2 maintained materially complete and accurate records;
 - 15.2.3 conducted adequate immigration checks, paid all amounts due to the Employees and made all contributions required under the provisions of the Central Provident Fund Act of Singapore; and
 - 15.2.4 All payments or benefits made or provided, or which the Target Company has agreed to make or provide, to any employee or former employee or any dependent of any such persons in connection with the proposed termination or suspension of employment or variation of any contract of employment of any such employee or former employee (including any pension, golden parachute, retention or severance payments, entitlements or other benefits) have been disclosed to the Purchaser.
- 15.3 There are not and will not at Completion be in existence any contracts of service with employees of the Target Company which cannot be terminated by three months' notice or less without giving rise to any claim for damages or compensation (other than a statutory redundancy payment or statutory compensation for unfair dismissal).
- 15.4 The Target Company is not a party to any agreement with any trade union or organisation representing its employees.



- 15.5 None of the employees of the Target Company has given notice terminating his or her contract of employment or engagement, and none of the employees of the Target Company is under notice of dismissal.
- 15.6 No dispute has arisen within the last two years between the Target Company and any of its employees or former employees and there are no present circumstances which are likely to give rise to any such dispute.
- 15.7 There are no terms and conditions in any contract with any officer, employee, worker, self-employed contractor or consultant of the Target Company pursuant to which such person will be entitled to receive any payment or benefit or such person's rights will change as a direct consequence of the transaction contemplated by this agreement.
- 15.8 There are no amounts owing or agreed to be loaned or advanced by the Target Company to any officer, employee, worker, self-employed contractor or consultant of the Target Company (other than amounts representing remuneration accrued due for the current pay period, accrued holiday for the current holiday year or for reimbursement of expenses).

16 Property

- 16.1 The Seller has not carried out any unauthorised alteration or addition works to the Property, and to the best of the Seller's knowledge and belief, there are no unauthorised alteration or addition works carried out to the Property.

17 Litigation

- 17.1 The Target Company is not:
- 17.1.1 involved in or proposes to engage (whether as claimant or defendant or otherwise) in any civil, criminal or arbitration proceedings or mediation or in any other proceedings before any tribunal, and no such proceedings are threatened or pending;
 - 17.1.2 subject to any current, threatened or pending investigation, inquiry or enforcement proceedings by any governmental, administrative, regulatory or official body.
- 17.2 To the best of the knowledge and belief of the Seller there are no circumstances which may result in any action mentioned in paragraph 17.1 being brought by or against the Target Company.
- 17.3 There is no unsatisfied judgment, order, decree or decision of any court or tribunal, or of any governmental, administrative, regulatory or other official body, outstanding against the Target Company.

18 Insolvency, winding up etc

- 18.1 No order has been made, petition presented, resolution passed or meeting convened for the winding up of the Target Company or the Seller.
- 18.2 No petition has been presented for a receivership or judicial management order to be made and no notice of intention to appoint a receiver or judicial manager has been presented in relation to the Target Company, nor has any such order been made.

- 18.3 No receiver has been appointed of the whole or any part of any of the property, assets and/or undertaking of the Target Company.
- 18.4 No composition in satisfaction of the debts of the Target Company, or scheme of arrangement of its affairs, or voluntary arrangement under applicable insolvency legislations or compromise or arrangement between it and its creditors and/or members or any class of its creditors and/or members, has been proposed, sanctioned or approved.
- 18.5 No distress, distraint, charging order, garnishee order, execution or other process has been levied or applied for in respect of the whole or any part of any of the property, assets and/or undertaking of the Target Company.
- 18.6 No event has occurred causing, or which upon intervention or notice by any third party may cause, any floating charge created by the Target Company or by the Seller over the Target Company to crystallise or any charge created by it to become enforceable, nor has any such crystallisation occurred nor is such enforcement in process.
- 18.7 In relation to any property or assets held by the Target Company under any hire purchase, conditional sale, chattel leasing or retention of title agreement or otherwise belonging to a third party, no event has occurred which entitles, or which upon intervention or notice by a third party may entitle, the third party to repossess the property or assets concerned or terminate the agreement or any licence in respect of the same.
- 18.8 The Target Company is able to pay its debts as they fall due and is not insolvent or deemed insolvent under applicable insolvency legislation.
- 18.9 The Target Company has not been party to any transaction with any third party or parties which, in the event of any such third party going into liquidation or an receivership or judicial management order or a bankruptcy order being made in relation to it or such third party or parties would constitute (in whole or in part) a transaction at an undervalue, a preference, an invalid floating charge or part of a general assignment of debts under applicable insolvency legislation.
- 18.10 No event analogous to any of the circumstances in any sub-paragraph of this paragraph 17 has occurred in relation to the Target Company outside of Singapore.

19 **General**

- 19.1 All written information supplied in the course of the negotiations leading to this agreement to the Buyer, its advisers or agents by the Seller or on behalf of the Seller, was when given true, complete and accurate in all material respects.
- 19.2 The information set out in Schedule 1 and in the Disclosure Letter is true, accurate and not misleading.
- 19.3 There is no fact or matter which has not been disclosed which renders any such information and documents untrue, inaccurate or misleading at the date of this agreement or which if disclosed might reasonably be expected to influence adversely the Buyer's decision to purchase the Shares on the terms of this agreement.



Date

0	9	0	5	2	4
D	D	M	M	Y	Y

Pay ****SECOND CHANCE PROPERTIES LTD****

Singapore Dollars ****Three Hundred And Eighty Thousand Only****

XXXX

S\$ ****380,000.00****

DBS Bank Ltd

U PROPERTY HOLDINGS
PTE. LTD.

Cheque No.

Bank/Branch Code

Account No.

Please sign above this line

⑈5⑈00204⑈⑈7⑈7⑈⑈003⑈ 0039084900⑈

SECOND CHANCE PROPERTIES LTD

Mohd. Suh

Chairman & Managing Director

9.5.24