

DATED the _____ day of _____ 2026

GLENFUIR INVESTMENTS LIMITED

and

AEON STORES (HONG KONG) CO., LIMITED
永旺(香港)百貨有限公司

LEASE

Premises	:	Portions on the Ground Floor and the First Basement of the Commercial Podium of Sites 5 and 6 of Whampoa Garden
Term	:	Nine Years
Option	:	Nil
Commencing	:	1 May 2026
Expiring	:	30 April 2035
Rent	:	As mentioned in Part II of the Second Schedule
Service Charges	:	HK\$1,418,101.30 per month
Extra Air- Conditioning Charges	:	HK\$194,935.00 per month
Deposit	:	HK\$61,308,607.80 (cash) HK\$61,308,607.80 (bank guarantee)



SECTION I

THIS LEASE is made the day of Two
 thousand and twenty six

Parties

BETWEEN GLENFUIR INVESTMENTS LIMITED whose registered office is situate at 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong (which company and its successors and assigns are where not inapplicable hereinafter included under the designation "the Landlord") of the one part and **AEON STORES (HONG KONG) CO., LIMITED 永旺(香港)百貨有限公司** whose registered office is situate at G-4th Floor, Kornhill Plaza (South), 2 Kornhill Road, Hong Kong (hereinafter called "the Tenant") of the other part.

NOW THIS DEED WITNESSES as follows:-

Premises

The Landlord lets and the Tenant takes ALL THAT/THOSE portion(s) of the Commercial Podium (hereinafter called "the Podium") of WHAMPOA GARDEN - SITES 5 AND 6 (hereinafter referred to as "the Building") erected or to be erected on ALL THAT piece or parcel of land registered at the Land Registry as SECTION E OF KOWLOON INLAND LOT NO. 10750 (hereinafter referred to as "the Land") (which said portion(s) is/are more particularly described in the First Schedule hereto and is/are hereinafter called "the Premises") TOGETHER with all rights easements and appurtenances thereto belonging or usually held and enjoyed therewith TOGETHER with the use in common with the Landlord and all others having the like right of the common entrances, staircases, landings, lavatories, passages and escalators and lifts (whenever the same shall be operating) in the Podium and the Building from time to time designated by the Landlord for common use by the tenants and occupiers of the Podium and/or the Building and those expressly or by implication authorized by the Landlord in so far as the same are necessary for the proper use and enjoyment of the Premises EXCEPT AND RESERVED unto the Landlord and all persons authorised by the Landlord or otherwise entitled thereto:-

- (i) the right of free and uninterrupted passage and running of water, soil, gas, drainage, electricity and all other services or supplies through such sewers, watercourses, conduits, pipes, wires, cables and ducts as are now or may hereafter be in, on or under the Premises and serving or capable of serving the Building or any adjoining or neighbouring property or any part thereof together with the right to enter upon the Premises to inspect repair or maintain any such sewers, watercourses, conduits, pipes, wires, cables and ducts;
- (ii) the exclusive right to install in or affix to any part of the Building such flues, pipes, conduits, chimneys, aerials, plant, machinery



and other apparatus, signs, placards, posters and other advertising structures whatsoever (whether illuminated or not) as the Landlord shall think fit together with the right to repair maintain service remove or replace the same provided that the Landlord shall cause as little interference as possible to the Tenant and make good any damage caused to the Premises forthwith;

- (iii) the right to erect or alter or consent to the erection or alteration of any building for the time being on any adjoining or neighbouring property notwithstanding that such erection or alteration may diminish the access of light and air enjoyed by the Premises and the right to deal with any such property as it may think fit;
- (iv) the right and liberty to enter upon the Premises in the circumstances in which the covenants by the Tenant contained in these presents permit such entry;
- (v) the right to subjacent and lateral support from the Premises for the remainder of the Podium and the Building;
- (vi) all easements quasi-easements privileges and rights whatsoever now enjoyed by any adjoining or neighbouring property in under over or in respect of the Premises as if such adjoining and neighbouring property and the Premises had at all times heretofore been in separate ownership and occupation and such matters had been acquired by prescription or formal grant; and
- (vii) the absolute and unfettered right to use the external walls of the Building for whatever purpose the Landlord may deem fit and to assign or delegate such right,

Term	for the term of NINE YEARS commencing from the Lease Commencement Date as specified in Part I of the Second Schedule hereto determinable as hereinafter mentioned (which term or any other extended term hereunder shall hereinafter be collectively referred to as "the said term") EXCEPT and RESERVING to the Landlord the rights hereinafter mentioned
Rent	YIELDING AND PAYING therefor during the said term the rent and other charges as set out in the Second Schedule hereto which rent (exclusive of rates) and other charges shall be payable in advance without any deductions including legal or equitable set-off on the 1st day of each calendar month. The Premises shall be handed over by the Landlord to the Tenant in an "as is" condition. The Tenant shall also take over all fittings therein including but not limited to the electricity cable left behind by the previous tenant of the Premises ("the Electricity Cable") and shall be responsible for any liabilities thereof and the Landlord shall not be liable or responsible for the same. The Tenant is required to fit out the Premises in accordance with the terms of this Lease.



SECTION II

RENT AND OTHER CHARGES

The Tenant hereby agrees with the Landlord as follows:-

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|-------------------------------------|--|
| Rent and Other Charges | 1. To pay the rent and other charges on the days and in the manner hereinbefore provided for payment thereof within 14 days after due date. |
| Rates, Taxes and etc. | 2. To pay and discharge all rates, taxes, assessments, duties, charges, impositions and outgoings of an annual or recurring nature now or hereafter to be assessed, imposed or charged by the Government of the Hong Kong Special Administrative Region or other lawful authority upon the Premises or upon the owner or occupier thereof (Government Rent and Property Tax only excepted). Without prejudice to the generality of this clause the Tenant shall pay all rates imposed on the Premises in the first place to the Landlord who shall settle the same with the Government of the Hong Kong Special Administrative Region and in the event of the Premises not yet having been assessed to rates the Tenant shall pay to the Landlord a sum estimated by the Landlord to be likely the rates which would be charged by the Government of the Hong Kong Special Administrative Region on the basis of a rateable value equal to twelve months' rent payable by the Tenant on account of the Tenant's liability under this clause. |
| Utilities | 3. To pay and discharge all deposit and charges for gas, water, telephone and electricity consumed in the Premises including charges for the air-conditioning and the mechanical ventilation system (if any) installed therein and operated from the Tenant's own metered electricity supply. |
| Additional Air-Conditioning Charges | 4. To pay promptly the additional air-conditioning charges which may be chargeable by the Landlord in accordance with Section IV (4) hereof. |



SECTION III

TENANT'S OBLIGATIONS

The Tenant hereby agrees with the Landlord as follows:-

User

1. To use the Premises wholly and exclusively as a store for general merchandise sale and providing such ancillary services as are normally related to the operation of a department store including supermarkets, restaurants and food plazas and such other uses the Landlord may approve under the trade name of "AEON (永旺)" only and not to use or permit or suffer the Premises or any part thereof to be used for any other purposes or without the consent in writing by the Landlord use any other trade name Provided that the total area for the provision of restaurant(s) and/or food plazas and/or food and beverage services ("the F and B Operation") shall not be more than 15% of the lettable floor area of the Premises (i.e. approximately 27,625 square feet) and Provided further that the Tenant shall obtain the prior written approval of the Landlord for the F and B Operation.

Compliance with
Ordinance

2. To obey and comply with and to indemnify the Landlord against the breach of all ordinances, regulations, by-laws, rules and requirements of any Governmental or other competent authority relating to the conduct and carrying on of the Tenant's business on the Premises or to any other act, deed, matter or thing done, permitted, suffered or omitted therein or thereon by the Tenant or any employee, agent or licensee of the Tenant and to notify the Landlord forthwith in writing of any notice received from any statutory or public authority concerning or in respect of the Premises or any services supplied thereto.

Fitting Out

3.(a) To fit out the Premises in a style and manner appropriate to a high class shopping centre and in accordance with such plans design and specifications (including, but not limited to the design, finishing and materials of the shop front, the electrical wiring diagram and air-conditioning and mechanical ventilation plans) as shall have been first submitted to and approved in writing by the Landlord who may in its absolute discretion accept or reject such plans design and specifications as it thinks fit in a good and proper workmanlike fashion and so to maintain the same throughout the said term in good condition and repair to the satisfaction of the Landlord. The Landlord shall have the right to vary or specify the choice of finishes and materials to be used for the fitting out work and the Tenant in carrying out such work shall obey and comply with and ensure that his contractors, workmen, servants and agents comply with the requirements and provisions in this Lease regarding the fitting-out of the Premises and the rules and regulations as may from time to time be adopted by the Landlord in accordance with Section X hereof.



- (b) To fit out the Premises in accordance with such ordinances or other governmental rules and regulations as shall from time to time be in force during the said term and to maintain, add to, modify or alter the same in accordance with such ordinances, rules and regulations as are in force from time to time. The Tenant shall in carrying out the works hereunder use only such contractor as shall be approved by the Landlord in writing.
- (c) Before carrying out any internal decoration partitioning alteration and fitting out works (including but not limited to the design of the shopfront and the electrical wiring installations/ requirement), to submit details and plans (including detailed floor plan showing the Tenant's proposed internal layout for the Premises) thereof in quadruplicate to the Landlord for its prior approval and to re-submit for the Landlord's further prior approval such amendments to the said details and plans as may be desired by the Tenant or required by the relevant government authorities and any costs incurred by the Landlord in connection with such approval including architect's fees shall be for the account of the Tenant. The Tenant shall only carry out such internal decorations partitioning alterations and fitting out works and any amendments thereto in accordance with such approved details and plans and such other directions and conditions as may be given and imposed by the Landlord relating thereto in accordance with such ordinances and other governmental rules and regulations as shall from time to time be in force during the said term. Such approval from the Landlord shall not relieve the Tenant from the responsibility of obtaining all necessary permits licences and approval pertaining to the proposed decoration partitioning alteration or fitting out work and the Tenant shall submit all applications required and shall comply with all government ordinances rules and regulations and all regulations and by-laws of any public utility company or authority having jurisdiction over the said works. The Tenant shall not commence any such internal decoration partitioning alteration and fitting out works unless and until all necessary approvals licences or permits relating thereto have been obtained from the relevant government departments or authorities and if the Tenant shall for any reason put in hand any such works as aforesaid prior to obtaining the necessary approvals licences or permits from the relevant government authorities the Tenant shall be solely responsible for the consequences of such unauthorised works including but not limited to the costs of demolition, addition and alteration required to comply with government requirements and shall indemnify and keep the Landlord fully indemnified against all losses claims costs actions and proceedings arising from the Tenant's breach of the provisions of this sub-clause. The Tenant shall at its own cost and expense make good any default in complying with this sub-clause



notwithstanding that its fitting out partitioning and decoration proposals may have been submitted by the Landlord or the Landlord's agent to the relevant government authorities on behalf of the Tenant and the Tenant shall solely bear the consequences of any rejections or any amendments required by the relevant government authorities of the Tenant's proposals and of any delay or losses resulting from such rejections or amendments.

- (d) To keep all the interior of the Premises including the flooring and interior plaster glass curtain wall (if any) or other finishes or rendering to walls, floors and ceilings and the Landlord's fixtures therein and all additions thereto and including the roller shutters (if any), the shop front and all doors, windows (if any), window blinds (if any), electrical installations and wiring in good, clean and tenantable repair and condition and properly preserved and painted and so to maintain the same at the expense of the Tenant and to deliver up the same to the Landlord at the expiration or sooner determination of the said term in like condition (fair wear and tear and inherent defects excepted).
- (e) To engage suitably qualified engineers to prepare proper building services plans regarding the installation and layout of the air-conditioning, mechanical ventilation, fire services, electrical, plumbing and drainage systems in the Premises for the approval of the Landlord prior to the installation thereof (such approval shall not be unreasonably withheld) and to carry out the said building services works by the Landlord's recommended contractors for the Building.
- (f) The approval of any plans does not in any way imply the Landlord's or its agent's endorsement of the specifications upon which the proposal has been based. The approval will neither guarantee the performance under any conditions of the plant or materials used nor imply that the Tenant's proposals will be acceptable to the relevant Authorities/Government Departments.

Replacement of
Windows

- 4. To pay to or reimburse the Landlord the cost of replacing all broken and damaged windows and glass and any part of the curtain wall (if any) whether or not the same be broken or damaged by the negligence of the Tenant or owing to circumstances beyond the control of the Tenant.

Repair and
Installation of
Electrical Wiring

- 5. At the Tenant's own cost and expense to install all wirings and other apparatus and installations for the supply of electricity to the Premises and to repair or replace any electrical installation or wiring of the Tenant from the Tenant's meter to and within the Premises if the same becomes dangerous or unsafe or if so reasonably required by the Landlord (or by CLP Holdings Limited) and the Tenant shall use the Landlord's recommended contractor for the wiring work from the meter room to the



Tenant's main switch and shall only use a contractor approved by the Landlord in writing for the internal wiring work within the Premises. The Tenant shall permit the Landlord or its agents to test the Tenant's wiring in the Premises at any time upon request being made.

Good Repair of
Sanitary and Water
Apparatus

6. To keep the sanitary and water apparatus used exclusively by the Tenant and his servants, agents, licensees and customers in good, clean and tenable repair and condition to the satisfaction of the Landlord and in accordance with the regulations or by-laws of all Public Health and other Government Authorities.

Cleaning of Drains

7. To pay to the Landlord on demand all costs incurred by the Landlord in cleansing, clearing, repairing or replacing any of the drains, pipes or sanitary or plumbing apparatus choked or stopped up owing to the careless or improper use or neglect by the Tenant or any employee, agent, licensee or customer of the Tenant.

Indemnify Against
Loss Damage from
Interior Defects and
to Take Out
Adequate Insurance
Cover

8. To be wholly responsible for any loss damage or injury caused to the Landlord or any person whomsoever or any property whatsoever of the Landlord or of any person whether directly or indirectly through the defective or damaged condition of any part of the interior of the Premises (including doors and windows (if any)) or any fittings, fixtures or wiring therein for the repair of which the Tenant is responsible hereunder or through or in any way owing to the spread of fire or smoke or the overflow of water from the Premises or any part thereof or through the act, default or neglect of the Tenant his servants, sub-tenants (if any), agents, licensees or customers and to make good the same by payment or otherwise and shall indemnify the Landlord against all claims demands actions and legal proceedings whatsoever made upon the Landlord by any person in respect thereof. The Tenant shall further effect and maintain adequate insurance covering the full term hereby created (including the rent free period as provided in the Second Schedule hereto, if any) in respect of such risks with a reputable insurance company to the satisfaction of the Landlord. The policy of such insurance shall be endorsed to show the Landlord as registered owner of the Premises and shall be in the sum of not less than HK\$5 million for any one claim or series of claims arising out of any one event and unlimited in amount for the period of insurance and shall contain a clause to the effect that the insurance cover thereby effected and the terms and conditions thereof shall not be cancelled modified or restricted without the prior written consent of the Landlord. The Tenant hereby further undertakes to produce and make available to the Landlord, as and when so required by the Landlord, such policy of insurance together with the receipt for the last payment of premium and a certificate from the insurance company that the policy is fully paid up and in all respects valid and subsisting.

Protection from
Typhoon

9. To take all reasonable precautions to protect the interior of the Premises against damage by storm or typhoon or the like.

To Permit Landlord to Enter and View	10. Without prejudice to the obligations of the Tenant hereunder, to permit the Landlord and all persons authorised by it at all reasonable times access to the fan rooms and switch room (if any) housing the equipment serving the Premises and to enter and view the state of repair of the Premises, to take inventories of the fixtures therein, to carry out any works repairs or maintenance which are required to be done Provided that in the event of any emergency the Landlord, its servants or agents may enter without notice and forcibly if need be.
To Execute Repairs on Receipt of Notice	11. On receipt of any notice from the Landlord or its authorised representative specifying any works or repairs which are required to be done and which are the responsibility of the Tenant hereunder, forthwith to put in hand and execute the same with all possible despatch and without any delay and if the Tenant shall fail to execute such works or repairs as aforementioned within 14 days from the said notice except in a case of emergency to permit the Landlord to enter upon the Premises and execute the same and the Tenant shall reimburse the Landlord for all costs and expenses thereby incurred within a space of 14 days and if the Tenant shall fail to reimburse the Landlord as aforesaid, the costs and expenses shall become a debt due from the Tenant to the Landlord and be recoverable forthwith by action.
Outside Windows	12. To keep all outside windows (if any) and doors closed at all times during which air-conditioning supply is being provided to the Premises and in the event of a breach of this clause the Landlord shall have the right to send a representative to close any open door or doors or window or windows (if any) should the Tenant fail to comply forthwith with a notice from the Landlord requiring closing of the same AND it is agreed that a persistent breach by the Tenant of the terms of this clause shall amount to a breach of this Lease justifying the Landlord exercising its rights of re-entry hereunder.
Inform Landlord of Damage	13. To give notice to the Landlord or its agent of any damage that may be caused to and/or of any accident to or defects in the Premises or the water pipes, gas pipes, electrical wiring, fire alarm and fire fighting installations, the air-conditioning system or fittings, fixtures or other facilities installed or provided by the Landlord in the Premises.
Cleaning and Cleaning Contractors	14. To employ as cleaning contractors of the Premises only such persons or such firm as may be approved by the Landlord (such approval shall not be unreasonably withheld). Such cleaning contractors shall be employed at the sole expense of the Tenant.
Directory Board	15. To pay the Landlord immediately upon demand the cost of re-affixing, repairing, altering or replacing as necessary any name slat of the Tenant's name on the Directory Boards (if any) which shall be provided by the Landlord.



Damaged Electric Light Bulbs and etc.	16. To reimburse the Landlord the cost of replacing any damaged, broken, defective or burned out electric light bulbs, tubes and globes in the Premises which may be provided by the Landlord.
Allow Prospective Tenant to Inspect	17. To allow at all reasonable times within six calendar months immediately preceding the expiration of the said term prospective tenants or purchasers to inspect the Premises and allow the Landlord to exhibit where the Landlord shall think fit a notice indicating that the Premises are to be let or for sale, which notice the Tenant shall not conceal.
Regulations	18. To obey and comply with such regulations as may from time to time be adopted by the Landlord in accordance with Section X hereof.
Acts, Neglects Omissions and Defaults	19. To be responsible to the Landlord for the acts, neglects, omissions and defaults of all contractors, servants, sub-tenants (if any), agents, licensees and customers of the Tenant as if they were the acts, neglects, omissions and defaults of the Tenant himself and for the purpose of this Lease "licensee" shall include any person present in, using or visiting the Premises.
Load and Unload Goods	20. To load and unload goods only at such times during business hours and through such service entrances and by such service lift(s) (if any) as shall be designated by the Landlord for this purpose from time to time.
Removal of Garbage and Refuse	21. To be responsible for the removal of garbage and refuse from the Premises to such location as shall be specified by the Landlord from time to time and to use only the type of refuse containers as is specified by the Landlord from time to time. The Tenant shall ensure that all refuse containers shall be fully sealed at all times. In the event of the Landlord providing a collection service for garbage and refuse the same shall be used by the Tenant to the exclusion of any other similar service and the use of such service provided by the Landlord shall be at the sole cost of the Tenant.
Not to Prejudice Goodwill	22. Subject to Clause (1) of this Section to conduct the business of the Tenant so as not to prejudice the goodwill and reputation of the Building and/or the Podium.
Open for Business	23. To keep the Premises open for business every day throughout the year (Chinese customary holidays of the Tenant's trade excepted and also a reasonable period of renovation requiring suspension of business excepted) for the business hours between 10:00 a.m. and 10:30 p.m. or such business hours as the Landlord may from time to time define PROVIDED that if the Tenant shall at its own expense keep lit any shopfront windows showcases and shopsigns of the Premises during the hours aforesaid the Tenant may open the Premises for a shorter period of business hours every day. For the better observance of this clause, the



Tenant shall permit the Landlord, its agents or employees or representatives to control the electrical circuits to the said shopfront windows showcases and shopsigns but the Landlord shall not be liable for any damage, loss or injury caused to the Tenant or any other person in connection therewith save and except those caused by the wilful default or wilful negligence of the Landlord. For the purpose of this clause shopfront windows shall be deemed to include those parts of the interior of the Premises used for the display of merchandise immediately fronting onto the common areas of the Building.

Yield up Premises
and Handover

24. To quietly yield up vacant possession of the Premises reinstated in accordance with Clause 12 of Section XII and Clause 14(b) of Section XIII of this Lease at the expiration or sooner determination of this lease in good, clean and tenantable repair and condition notwithstanding any rule of law or equity to the contrary PROVIDED THAT unless otherwise directed by the Landlord the Tenant shall at his own expense remove all or any personal property, trade fixtures and fittings and additions therein and thereto of the Tenant (whether of a non-structural or structural nature) ("the Tenant's Property") at the expiration or sooner determination of this tenancy and in such event the Tenant shall make good all damage caused to the Premises and/or the Building by such removal AND thereupon to surrender to the Landlord all keys giving access to all parts of the Premises held by the Tenant and to remove at the Tenant's expense all lettering and characters from all the doors, walls or windows (if any) of the Premises and to make good any damage caused by such removal PROVIDED FURTHER THAT if after the Tenant has vacated the Premises any Tenant's Property remains in or on the Premises such property shall be deemed to be abandoned and the Landlord may remove, sell or otherwise dispose of the Tenant's Property and the Tenant shall indemnify the Landlord against any liability incurred including liability to any third party whose property is sold or disposed of by him and against any damage occasioned to the Premises and any losses caused by or related to the presence of the Tenant's Property in or on the Premises.

Carry Out and
Comply with
Ordinance

25. To carry out and comply with all ordinances regulations by-laws and rules and all notices and requirements of the appropriate Government authorities and departments and to obtain and renew all approvals, consents, permits and licences in connection with or in relation to the Tenant's trade or business carried on at the Premises and to keep the Landlord indemnified against any breach of this clause.

Observe Deed of
Mutual Covenant

26. To observe the covenants terms and conditions of the Deed of Mutual Covenant and Sub-Deed of Mutual Covenant (if any) relating to the Building and the Podium.

Responsible for
Losses and Damages

27. Without prejudice to the liability of the Tenant under any of the terms and conditions herein contained to be responsible for any loss and damage sustained or suffered by the Landlord or any other person or persons or the property of the Landlord or such other person or persons as



aforesaid and any damage which may be done to the Building and/or to the Podium directly or indirectly due to the defective condition or in any way connected with the use, maintenance or repair by the Tenant of anything whatsoever constructed, erected, installed and maintained by the Tenant under any provision hereof or otherwise and further the Tenant shall comply with all ordinances, regulations and by-laws relating thereto and the Tenant shall fully indemnify the Landlord against all claims proceedings actions costs expenses and demands whatsoever made upon the Landlord by any person or persons in respect of any damage or injury to persons or property in respect of any of the matters aforesaid.

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| Indemnify Landlord
for All Actions | 28. To indemnify and keep the Landlord fully indemnified from and against all actions proceedings demands costs expenses and claims whatsoever brought or made by the tenants and occupiers of the other parts of the Building and/or the Podium or any third party in respect of any act or liability caused by or arising from the act, neglect or default (irrespective of whether wilful or not) of the Tenant or any workmen servants sub-tenants (if any) licensees or persons who are permitted by the Tenant in the Premises or any part thereof. |
| Alteration Works to
Air-Conditioning
System | 29.(a) To be responsible for installing at the Tenant's own expense all alteration works associated with the air-conditioning system including but not limited to internal air-ducting, outlet grilles and any necessary equipment and apparatus associated therewith and with air-conditioning system plus power wiring to the small motors of the fan coil units for supplying air-conditioning services to the Premises. The running cost of such motors shall be for the Tenant's account. The installation of such alteration works shall first be approved in writing by the Landlord. The Tenant shall only carry out the aforesaid works by the Landlord's recommended contractors for the Building. |
| Provision and
Maintenance of
Additional Fire-
Fighting Water
Sprinkler System | (b) To bear the cost of provision and installation of and thereafter be responsible for the regular maintenance and cleaning of any changes to or additional fire-fighting water sprinkler system installed by the Tenant over and above that provided by the Landlord and all such necessary equipment and apparatus associated therewith. The installation of such additional system and associated equipment shall first be approved in writing by the Landlord. The Tenant shall only carry out the aforesaid works by the Landlord's recommended contractors for the Building. |
| Providing and
Installing Additional
Fan Coil or Air-
Handling Units | (c) To be responsible for the provision and installation of additional fan coil units and all other air-side equipment associated with the air-conditioning system or air-handling units in the Premises required by the Tenant over and above those installed by the Tenant prior to the commencement of this Lease as referred in Clause 14 of Section XIII hereof Provided That the prior written consent of the Landlord shall first be obtained and the Landlord, as a condition for the grant of such consent, shall have the right to |



adjust the air-conditioning charges payable by the Tenant under Part III of the Second Schedule hereof to cover the additional cost for providing extra chilled water incurred as a result. The Tenant, in carrying out the aforesaid works, shall only use such contractors as shall be recommended by the Landlord.

Permit Inspections
by Landlord of Air-
Conditioning
System

- 30.(a) To permit the Landlord and all person(s) authorised by the Landlord to enter the Premises with or without appliances during normal office hours to inspect such part or parts of the air-conditioning system (including but not limited to the said fan coil units, air-handling units, internal air ducting and outlet grilles) in the Building which are located or installed in the Premises whether by the Landlord or the Tenant (hereinafter collectively called "the air-conditioning installations") and the fire-fighting water sprinkler system and to carry out any repair and/or maintenance and/or replacement work thereto as the Landlord shall consider necessary and for such purposes the Tenant shall at all times during the said term afford the Landlord and all persons authorised by the Landlord with proper access to the air-conditioning installations and the fire-fighting water sprinkler system and in case proper access is being obstructed the Landlord and/or all persons authorised by the Landlord shall be entitled to clear such obstructions or modify the same as it or they shall think fit at the cost and expense of the Tenant without being responsible for any loss or damage caused to the Tenant or any other person(s) in connection with such clearance or modification.
- (b) To pay to the Landlord within 14 days of written demand all costs loss and damages incurred or sustained by the Landlord as a result of the act neglect or default of the Tenant his servants agents and contractors in the use and protection of the air-conditioning installations and/or the fire-fighting water sprinkler system and/or as a result of the clearance or modification of obstruction aforesaid. In particular, but without limiting the generality of the foregoing, the Tenant shall pay to the Landlord within 14 days of written demand all repair and replacement costs of the air-conditioning installations and/or the fire-fighting water sprinkler system or any part thereof necessitated by the negligence or misuse of the same by the Tenant his servants and agents.
- (c) To pay to the Landlord all overtime costs incurred by the Landlord (the Landlord's assessment of the costs shall be conclusive and binding) in respect of repair, replacement and/or maintenance of the air conditioning and fire fighting systems if such repair maintenance and/or replacement works shall at the request of the Tenant be carried out after the normal office hours.

Displays of
Merchandise

31. To maintain displays of merchandise within the Premises and in the show windows at the shop fronts of the Premises to a standard and composition appropriate to a high class shopping centre and to the



satisfaction of the Landlord and it is hereby agreed that the Landlord shall have the right to order the removal of any item of display which is considered in its sole opinion not in conformity with the standard expected of a high class shopping centre. The shop front shall be lit up with downlights/spotlights/light fittings controlled by a timer from 10:00 a.m. to 11:00 p.m. or for such hours as specified by the Landlord or the manager of the Building from time to time.

Adjacent Excavation
or Building Work

32. If any excavation or other building work shall be undertaken or authorized in the vicinity of the Building to permit the Landlord, its servants or agents to enter the Premises to do such work at the expense of the Landlord as may be deemed necessary to preserve the exterior walls of the Building from damage without any claim for damages or indemnity against the Landlord.



SECTION IV LANDLORD'S OBLIGATIONS

The Landlord hereby agrees with the Tenant as follows:-

Enjoyment Without
Interruption

1. That, subject and without prejudice to the Landlord's rights under Section VIII of this Lease (including Clause 6(b) of Section VIII) and always provided and on condition that the Tenant :-

- (i) promptly pays the rent and other charges (including the rates and charges referred to in Section II of this Lease) on the days and in the manner stipulated in this Lease; and
- (ii) observes and performs all the agreements, stipulations and conditions which are contained in this Lease and which are to be observed and performed by the Tenant

the Tenant shall peaceably hold and enjoy the Premises during the said term without interruption by the Landlord or any person lawfully claiming under or in trust for the Landlord.

Government Rent
and Property Tax

2. To pay the Government Rent and Property Tax payable in respect of the Premises.

Structural Parts and
Main Drains

3. To keep the structural parts of the Premises and the main drains, pipes and cables therein in a proper state of repair Provided that the Landlord shall not incur any liability under this clause unless and until written notice of any defect or want of repair has been given by the Tenant to the Landlord and the Landlord shall have failed to take reasonable steps to repair or remedy the same after the lapse of a reasonable time from the date of service of such notice.

Provided Air-
Conditioning
Service

4.(a) To provide air-conditioning services to the Premises each day which shall be limited to the following :

- (i) The supply of chilled water at a cooling capacity of approximately 1,227.80 tons between the hours of 10:00 a.m. and 10:30 p.m. daily ("the Normal Hours"); and
- (ii) (1) The supply of extra chilled water at a cooling capacity of approximately 215.87 tons during the Normal Hours; and
- (2) The supply of extra chilled water at a cooling capacity of approximately 1,443.67 tons for two and a half hours from 7:30 a.m. and 10:00 a.m. to the supermarket and the current food and beverage area on the First Basement of Site 5 of the Premises daily



and two hours from 8:00 a.m. to 10:00 a.m. daily for Ground Floor of Site 6 of the Premises ("the Extended Hours").

(b) If the Tenant shall require air-conditioning services with extra cooling capacity and/or supply of chilled water outside the Normal Hours and the Extended Hours, the Landlord may provide the same to the Tenant on receiving reasonable notice of the Tenant's requirements on the condition that it is technically feasible to do so. The charges for air-conditioning services provided outside the Normal Hours and the Extended Hours shall be determined by the Landlord and notified to the Tenant from time to time and shall (inter alia) cover the operational and electrical consumption costs involved in running the main air-conditioning plant with extra cooling capacity and/or during such extended hours of supply.

Maintenance of Air-Conditioning System

5. To maintain and keep in a good and proper state of maintenance and repair the air-conditioning system installed in the Premises by the Landlord Provided That the Landlord shall not incur any liability or obligation to the Tenant under this clause in the event of any breakdown of the same not due to the wilful neglect or wilful default of the Landlord its servants agents or contractors.

Maintenance of Fire-Fighting Water Sprinkler System

6. To provide a fire-fighting water sprinkler system in the Premises and to maintain and keep in a good and proper state of maintenance and repair the said fire-fighting water sprinkler system installed in the Premises by the Landlord Provided that the Landlord shall not incur any liability or obligation to the Tenant under this clause in the event of any breakdown of the same not due to the wilful neglect or wilful default of the Landlord its servants agents or contractors.

Directory Board

7. Subject to Section III Clause 15 and Section V Clause 7 hereof, to provide at the cost of the Tenant a name slat bearing the name of the Tenant affixed in lettering and/or characters (the sign design and location of which shall be determined by the Landlord) to be displayed on the Directory Boards (if any) of the Building.



SECTION V

RESTRICTIONS AND PROHIBITIONS

The Tenant hereby further agrees with the Landlord as follows:

Installation and
Alterations

- 1.(a) Not without the previous written consent of the Landlord to erect, install or alter any fixtures, partitioning or other erection or installation in the Premises including but not limited to the shop front and the roller shutters (if any) thereof provided by the Landlord which shall remain the property of the Landlord or any part thereof or without the like consent to make or permit or suffer to be made alterations in or additions to the interior or exterior of the Premises or to the electrical wiring and installations therein or to install or permit or suffer to be installed in the Premises or any part thereof any equipment, apparatus or machinery which imposes a weight on any part of the flooring in excess of that for which it is designed or which requires any additional electrical main wiring or which consumes electricity not metered through the Tenant's separate meter or to make any alteration or change in the shop front of the Premises (which shall remain at all times the property of the Landlord). The Landlord shall be entitled to prescribe the maximum weight and permitted location of safes and other heavy equipment and to require that the same stand on supports of such dimensions and material to distribute the weight as the Landlord may deem necessary.
- (b) In carrying out any approved work hereunder, the Tenant shall and shall cause his servants, agents, contractors and workmen to cooperate fully with the Landlord and all servants, agents, contractors and workmen of the Landlord and with other tenants or contractors carrying out any work in the Building and/or the Podium. The Tenant his servants, agents, contractors and workmen shall obey and comply with all instructions and directions which may from time to time be given by the Landlord, the Landlord's Architect, Project Manager or other authorised representative in connection with the carrying out of such work.
- (c) In carrying out any work to the electrical and/or air-conditioning installations and/or wiring and/or to the fire alarm and/or fighting installations, the Tenant shall use only the Landlord's recommended contractors for the Building.

Damage to
Premises

2. Not without the previous written consent of the Landlord (such consent shall not be unreasonably withheld) to cut, drill into, mark or deface or permit or suffer to be cut, drilled into, marked or defaced any doors, windows (if any), walls, beams, structural members or any part of the fabric of the Premises and/or the Building and/or the Podium nor any of the plumbing or sanitary apparatus or installations included therein.



- Nails Screw and etc. 3. Not without the previous written consent of the Landlord (such consent shall not be unreasonably withheld) to drive or insert or permit or suffer to be driven or inserted any nails, screws, hooks, brackets or similar articles into the ceiling, walls or floor of the Premises.
- Locks 4. Not without the previous written consent of the Landlord to alter the existing locks, bolts and fittings on the entrance doors to the Premises, nor to install any additional locks, bolts or fittings thereon.
- Nuisance and Annoyance 5. Not to do or permit or suffer to be done any act or thing which may be or become a nuisance or annoyance to the Landlord or to the tenants or occupiers of other premises in the Building and/or the Podium or in any adjoining or neighbouring building or in anywise against the laws or regulations in Hong Kong.
- Noise 6. Not to produce or suffer or permit to be produced at any time in the Premises any music or noise (including sound produced by broadcasting or by any equipment or instrument capable of producing or reproducing music or sound) so as to constitute, in the opinion of the Landlord (which opinion shall be conclusive) a nuisance or to give cause for reasonable complaint from the occupants of any other premises in the Building and/or in the Podium or persons using or visiting the same and the Tenant shall at his own cost and expense install a sound proof system in the Premises to ensure that the Tenant will not cause the aforesaid nuisance.
- Signs 7. Not to affix or display or permit or suffer to be affixed or displayed within or outside the Premises any signboard, sign, decoration, flag, poster, advertising matter or other device whether illuminated or not which may be visible from outside the Premises, save that :-
- (a) If Directory Boards shall be provided by the Landlord, the Tenant shall be entitled to have its name displayed thereon in English and Chinese in uniform lettering or characters designated by the Landlord, such lettering and characters and any additions or alterations thereto to be affixed by the Landlord at the Tenant's expense.
 - (b) The Tenant shall be entitled at his own expense to have its trade name affixed in lettering and/or characters on a signboard (the size design and location of which shall first be approved by the Landlord in writing) to be displayed outside the Premises, such lettering and/or characters thereon and any additions or alterations thereto or thereon to be made by the Landlord at the Tenant's expense.

The Landlord shall have the right to remove at the cost and expense of the Tenant any signboard, sign, decoration, illuminated signs, flags, posters, or thing which shall be affixed put up or displayed in contravention of this clause.



Illegal or Immoral Use	8. Not to use or permit or suffer the Premises to be used for any illegal immoral or improper purposes or in any way so as to cause nuisance annoyance inconvenience or damage or danger to the Landlord or the tenants or occupiers of adjacent or neighbouring premises.
Sleeping or Domestic Use	9. Not to use or permit or suffer the Premises or any part thereof to be used as sleeping quarters or as domestic premises within the meaning of the Landlord and Tenant (Consolidation) Ordinance or similar legislation for the time being in force nor to allow any person to remain in the Premises overnight Provided That if the Tenant wishes to have a watchman to remain in the Premises in order to look after the contents thereof during the night the written consent of the Landlord shall first be obtained.
Manufacture of Goods	10. Not to use or permit or suffer the Premises to be used for the purpose of the manufacture of goods and merchandise or for the storage of goods and merchandise other than stock reasonably required in connection with the Tenant's business carried on therein.
Storage of Hazardous and Dangerous Goods	11. Not to keep or store or permit or suffer to be kept or stored in the Premises any arms, ammunition, gun-powder, salt-petre, kerosene or other explosive or combustible substance or hazardous goods or such other dangerous goods within the meaning of the Dangerous Goods Ordinance and the regulations thereunder or any statutory modification or re-enactment thereof.
Obstructions of Passages	12. Not to encumber or obstruct or permit or suffer to be encumbered or obstructed with any boxes, packaging or other obstruction of any kind or nature any of the entrances, staircases, landings, passages, escalators, lifts, lobbies or other parts of the Building and/or the Podium in common use and not to leave rubbish garbage or any other article or thing in the front or on the sides of the Premises or in any part of the Building or the Podium not in the exclusive occupation of the Tenant or outside the Building or the Podium except in the place(s) specifically designated for the disposal of rubbish or garbage. Notwithstanding anything herein contained, the Landlord and all servants, agents, contractors and workmen of the Landlord shall have the right to remove and dispose without notice to the Tenant and without incurring any liability to the Tenant and at the cost and expense of the Tenant any encumbrance or obstruction or any article or thing which shall have been left or placed in contravention of this clause and the Tenant shall pay to the Landlord on demand the whole costs and expenses that may be incurred by the Landlord for the removal or disposal under this clause.
Toilet Facilities	13. Not to use or permit or suffer the toilet facilities and sanitary installations provided by the Landlord to be used for any purpose other than that for which they are intended and not to throw or permit or suffer to be thrown therein any foreign substance of any kind and the Tenant



shall pay to the Landlord on demand the whole expense of any breakage, blockage or damage resulting from a violation of this clause.

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| Articles in Entrance | 14. Not to lay, install, affix or attach any wiring, cables or other article or thing in or upon any of the entrances, staircases, landings, passages, lobbies or other parts of the Building or of the Podium in common use. |
| Offensive or Unusual Odours | 15. Not to cause or permit any offensive or unusual odours or excessive smoke to be produced upon, permeate through or emanate from the Premises. |
| Transportation of Merchandise | 16. Not to permit or allow any food or food containers goods and merchandise to be brought onto or removed from the Premises or in any way transported or carried onto any part of the Podium or the Building intended for common use except by way of service lift(s) (if any), service entrances and service exits. |
| Animals, Pets and Infestations | 17. Not to keep or permit or suffer to be kept any animals or pets inside the Premises and to take all such steps and precautions to the satisfaction of the Landlord to prevent the Premises or any part thereof from becoming infested by termites, rats, mice, cockroaches or any other pests or vermin. The Tenant shall employ, at the Tenant's cost, such pest extermination contractors as the Landlord may require and at such intervals as any Government authorities or the Landlord may direct to have the Premises disinfected. For the above mentioned purposes, the Landlord and all persons authorised by it shall be permitted to enter and view the Premises at all reasonable times. |
| Assigning and Subletting | 18.(a) Not to assign, underlet, part with the possession of or transfer the Premises or any part thereof or any interest therein, nor permit or suffer any arrangement or transaction whereby any person who is not a party to this Lease obtains the use, possession, occupation or enjoyment of the Premises or any part thereof irrespective of whether any rental or other consideration is given therefor and in the event of any such transfer sub-letting sharing assignment or parting with the possession of the Premises (whether for monetary consideration or not) this Lease shall absolutely determine and the Tenant shall forthwith vacate the Premises on notice to that effect from the Landlord. The Landlord and its authorised persons shall have the right to enter the Premises at all reasonable times to require the Tenant to produce evidence and/or to take such action as it may think fit in order to verify whether the Tenant complies with its obligation under this clause. The lease shall be personal to the Tenant named in this Lease and, without in any way limiting the generality of the foregoing the following acts and events shall, unless approved in advance in writing by the Landlord, be deemed to be breaches of this clause:-

(i) In the case of a tenant which is a partnership, the taking in of one or more new partners whether on the death or retirement of an |



existing partner or otherwise.

- (ii) In the case of a tenant who is an individual (including a sole surviving partner of a partnership tenant) the death, insanity or other disability of that individual, to the intent that no right to use, possess, occupy or enjoy the Premises or any part thereof shall vest in the executors, administrators, personal representatives, next of kin, trustee or committee of any such individual.
 - (iii) In the case of a tenant which is a corporation any take-over, reconstruction, amalgamation, merger, voluntary liquidation or change in the person or persons who owns or own a majority of its voting shares or who otherwise has or have effective control thereof.
 - (iv) The giving by the Tenant of a Power of Attorney or similar authority whereby the donee of the Power obtains the right to use, possess, occupy or enjoy the Premises or any part thereof or does in fact use, possess, occupy or enjoy the same.
 - (v) The change of the Tenant's trade name without the previous written consent of the Landlord which the Landlord may give or withhold at its discretion and the Landlord may, in connection with any application for consent under this clause, require the Tenant to produce evidence as it may think fit to show that no breach under this clause has taken or is about to take place.
- (b) Notwithstanding the foregoing, the Tenant is allowed to enter into concessionary arrangements and/or licensing arrangements with third parties Provided That :-
- (i) the total floor area designated for licensing arrangement shall not exceed 30% of the lettable area of the Premises;
 - (ii) such arrangements shall terminate on or before the expiry of the said term; and
 - (iii) the Tenant shall inform the Landlord in writing of the names and particulars of the trade and locations of such concessionaires and licencees every three months.

Breach of Grant

19. Not to do or permit or suffer to be done any act, deed, matter or thing whatsoever which amounts to a breach of any of the terms and conditions under which the Land and the Premises are held from the Government and to indemnify the Landlord against any such breach.

Acts Rendered
Insurance Policy
Voidable

20. Not to do or permit or suffer to be done any act, deed, matter or thing whatsoever whereby the insurance on the Building and/or the



Podium and/or the Premises against loss or damage by fire and/or other insurable perils and/or claims by third parties for the time being in force may be rendered void or voidable or whereby the premium thereon may be increased Provided that if as the result of any act, deed, matter or thing done, permitted or suffered by the Tenant, the premium on any such policy of insurance shall be increased, the Landlord shall be entitled without prejudice to any other remedy hereunder to recover from the Tenant the amount of any such increase and further the Tenant shall keep the Landlord fully indemnified against all loss, damages, claims and demands sustained by or made against the Landlord by any person as a result of any breach by the Tenant of this clause PROVIDED that notwithstanding anything herein contained the Landlord does not warrant that any or adequate insurance against fire or any other risks exist in respect of the Building and/or the Podium and/or the Premises and/or all or any of the property stored therein by the Tenant AND the Tenant shall be responsible in any event for insurance of the interior and the Premises and his property left or stored in the Premises and/or the Building and/or the Podium.

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| Aerial on Roof | 21. Not to erect any aerial on the roof or walls or any other part of the Building and/or the Podium or on the ceiling or walls or any other part of the Premises. |
| Additional and Existing Air-Conditioning Facilities | 22. Not to install air-conditioning facilities in addition to such facilities as provided by the Landlord or to alter, modify or remove or suffer to be altered or modified or removed the air-conditioning facilities in the Premises without the prior written consent of the Landlord. |
| Chilled Water Supply | 23. Not to use or permit or suffer the supply of chilled water (if any) to be used for any purpose other than for the production of cool air to the Premises for air-conditioning services. |
| Additional and Existing Fire-Fighting Water Sprinkler System | 24. Not to install fire-fighting water sprinkler system in addition to such facilities as provided by the Landlord or to alter, modify or remove or suffer to be altered or modified or removed the fire-fighting water sprinkler system installed in the Premises without the prior written consent of the Landlord. |
| Touting or Soliciting Business | 25. Not to permit any touting or soliciting for business or the distributing of any pamphlets, notices, or advertising matter to be conducted outside or near the Premises or in any part of the Podium or the Building by any of the Tenant's servants, agents or licensees. |
| Electricity Supply Capacity | 26. Not to do anything whereby the maximum capacity of electricity supply to the Premises shall be exceeded. |
| Cover Up Hose Reel | 27. Not to cover up the hose reel within the Premises. |



28. Not without the written consent of the Landlord to use or permit to be used the name/logo or any part of the name/logo of WHAMPOA GARDEN or the Chinese characters (黃埔花園) or any likeness or similarity to the said name/logo in connection with the business or operation of the Tenant or for any other purpose save for indicating the address of the Tenant. The Landlord shall have complete discretion in deciding whether such consent shall be given.



SECTION VI

EXCLUSIONS, EXCEPTIONS AND RESERVATIONS

1. Save the same is caused by the wilful default or gross neglect of the Landlord, the Landlord shall not in any circumstances be liable to the Tenant his servants sub-tenants (if any) licensees or invitees or any other person whomsoever:-

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| Loss Damage or Injury to Person | (a) in respect of any loss, damage or injury to person or property sustained by the Tenant his servants, sub-tenants (if any), licensees, invitees or any such other person caused by or through or in any way owing to any defect in and/or breakdown and/or the defective or negligent working and/or operation and/or condition of any lift(s) and/or escalator(s) or air-conditioning system in the Premises and/or the Building and/or Podium by the Landlord and/or its servants or otherwise, and/or |
| Loss or Damage to Person or Property | (b) in respect of any loss or damage to person or property sustained by the Tenant his servants, sub-tenants (if any), licensees, invitees or any such other person caused by or through or in any way owing to fire or spread of smoke or the overflow or leakage of water from or through any part or portion of the Premises and/or the Building and/or the Podium, and/or |
| Security and Safe Keeping of Premises and Contents | (c) for the security or safekeeping of the Premises or any contents therein and in particular but without prejudice to the generality of the foregoing the provision by the Landlord of watchmen and caretakers (if any) shall not create any obligation on the part of the Landlord as to the security of the Premises and/or any contents therein and the responsibility for the safety of the Premises and/or the contents thereof shall at all times rest with the Tenant. |

And the Tenant shall indemnify and keep the Landlord fully indemnified against all claims, actions and demands whatsoever made upon the Landlord by any servants, sub-tenants (if any), licensees or invitees of the Tenant as a result of all such loss damage or injury aforesaid nor shall the rent, other charges or any part thereof abate or cease to be payable on account thereof save as provided in Section VII hereof.

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| Act Neglect or Default of the Other Tenant | 2. The Landlord shall not be liable or responsible for any damage suffered by the Tenant (whether personally or in respect of the Premises or any property of the Tenant therein or any goods stored therein) or any servant invitee sub-tenants (if any) or licensee of the Tenant through or by the acts neglect or default of the tenants and occupiers of the other parts of the Building and their servants licensees and invitees. |
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Lifts and Air-
Conditioning
Utilities

3. The Landlord shall neither be liable to pay compensation to the Tenant in respect of any period during which the proper operation of the lift(s) escalator(s) and/or the central air-conditioning system in the Building or in the Podium and/or the air-conditioning system or any other building service system in the Premises shall be interrupted nor shall the Landlord be liable to grant any abatement of rental and/or air-conditioning charges in respect thereof.

Power Supply
System

4. The Landlord shall not in any way be liable for any loss or damage suffered by the Tenant in respect of any period during which the power supply and/or other utility supply in the Premises and/or the Building and/or the Podium is suspended and the Tenant shall at his own cost and expense make his own standby arrangements or install uninterrupted power supply (UPS) facilities.

Defective or
Damaged Condition
of Premises, Fire
Smoke Leakage and
Overflow of Water

5. The Landlord, its employees, agents and/or the manager of the Building shall not be in any way liable to the Tenant, its employees, agents or to any person or persons claiming any right title or interest under the Tenant for any damage or injury which may be sustained by the Tenant or by any such person or persons as aforesaid on account of the defective or damaged condition of the Premises, the Building or the Landlord's fixtures therein or any part thereof and in particular the Landlord, its employees, agents and/or the manager of the Building shall not be responsible to the Tenant or any person or persons as aforesaid for any damage whatsoever caused by or through or in any way owing to any typhoon, heat or humidity, escape of fire or spread of smoke leakage or overflow of water or electric current from the water pipes or electric wiring or cable situated upon or in any way connected with the Building or the Podium or any part thereof or dropping of cigarette ends, broken pieces of glass or other articles and the spread of smoke, escape of water, fire or electricity, heat or humidity and vibrations from any floor office or premises in the Podium and/or in the Building or in the neighbourhood and the Tenant hereby agrees to indemnify the Landlord, its employees, agents and/or the manager of the Building against all claims, demands, actions, costs, expenses whatsoever made upon the Landlord, its employees, agents and/or the manager of the Building by any person or persons as aforesaid in respect of the matters aforesaid and further the Tenant shall be responsible for any damage which may be done to any part of the Premises or to the Landlord's fixtures and fittings therein.

Designation and Re-
designation of
Common Areas

6. Notwithstanding anything herein contained, the Landlord hereby reserves the absolute and unfettered right to close or render inaccessible the common entrances, exits, staircases, landings and passages in the Podium as mentioned in Section I hereof for the purposes of replacing, renewing, repairing, decorating or maintaining the same (Provided that in case of complete inaccessibility of the Premises as a result thereof, the Landlord shall arrange or provide alternative access to the Premises) and



the absolute and unfettered right to designate redesignate or convert any part of the Podium (except the Premises) not presently being used as common area into common area or for its own use or for the use of any particular tenant or occupier of the Building and vice versa as it may in its sole discretion determine and at any time from time to time to change, alter or redesignate such designation or conversion provided that the Tenant shall not be entitled to complain or claim compensation or damages against the Landlord for any alleged disturbance nuisance or interference with its user of the Premises or any loss or damages whatsoever arising out of such designation or redesignation or conversion as the case may be or any operations including but not limited to building works decoration removal or installation or otherwise that may be carried on by the Landlord its servants agents contractors and workmen in connection therewith. The Landlord further reserves unto itself an absolute and unfettered right at any time to add to vary amend or delete from the building plans of the Building or the plan hereto annexed without reference or prior notice to the Tenant.

Repairing,
Renovation and etc.
of Common Areas

7. It is hereby reserved unto the Landlord and the Tenant acknowledges the Landlord's right to repair, renovate, reinstate and redecorate at any time any of the areas in the Building designated or redesignated as common areas from time to time and to do any act or thing ancillary or incidental to such purposes. In such event the Tenant shall not claim against the Landlord any compensation for any loss or damages directly or indirectly sustained by the Tenant as a result thereof including without limitation any alleged nuisance or interference or disturbance with the Tenant's user of the Premises and any loss in business and no rent or other payment due to the Landlord hereunder shall be reduced or shall abate on account thereof.

Letting or Leasing to
Others

8. The Landlord shall not in any circumstances be liable or responsible for any loss or damage suffered by the Tenant (whether personally or in respect of the Premises) or any other servant invitee sub-tenants (if any) or licensee of the Tenant or any person claiming through the Tenant as a result of the letting or leasing of any part of the Building to any person or persons for any purpose whatsoever as lawfully provided for under which the Land is held from the Government of the Hong Kong Special Administrative Region.



SECTION VII **ABATEMENT OF RENT**

If the Premises or any part thereof shall be rendered unfit for use or inaccessible by fire, typhoon, act of God, force majeure or any other cause beyond the control of the Landlord (other than on account of the Tenant's act neglect or default) and the policy or policies of insurance effected by the Landlord shall not have been vitiated or payment of the policy moneys refused in whole or in part in consequence of any act or default of the Tenant or if the Premises shall be condemned as a dangerous structure or a demolition order or closing order shall become operative in respect of the Premises then the Rent or a fair proportion thereof according to the nature and extent of the damage sustained or order made (the determination of which by the Landlord shall be final and conclusive and be binding on the Tenant) shall, after the expiration of the then current month, abate and cease to be payable until the same shall have been again rendered fit for use and accessible PROVIDED that if the Premises shall remain unfit for use or inaccessible for 6 months or that if the Landlord shall consider it uneconomical to repair rebuild or replace the Premises whether or not in the same form or if any competent authority shall refuse permission for or otherwise prevent any rebuilding or replacement either the Landlord or the Tenant may at any time after the said 6 months' period or within one month of the notification by the Landlord of its decision or such refusal or prevention as the case may be give to the other of them notice in writing to determine this Lease and the lease hereby created and thereupon the same and everything herein contained shall determine as from the date of the notice but without prejudice to any antecedent claims or causes of action which either party hereto may have against the other hereunder.



SECTION VIII **DEFAULT**

It is hereby further expressly agreed and declared as follows:-

Default

1. If and whenever the rent and/or other charges or other payments hereby reserved or any part thereof respectively shall remain unpaid for 14 days after becoming payable (whether legally or formally demanded or not) or if any agreements, terms or conditions on the Tenant's part herein contained shall not be performed or observed or if the Tenant shall be wound up whether voluntarily (save for the purpose of a reconstruction or amalgamation approved by the Landlord in writing) or compulsorily or if the Tenant for the time being not being a corporation shall go into bankruptcy or if a petition for the winding-up of the Tenant (in the case of a corporation) or a petition in bankruptcy against the Tenant shall have been filed or if the Tenant shall enter into composition with his creditors or suffer any distress or execution to be levied on his goods then and in any of the said cases it shall be lawful for the Landlord at any time thereafter to re-enter upon the Premises or any part or parts thereof in the name of the whole and thereupon this Lease shall absolutely determine and the deposit paid under Section IX hereof shall be absolutely forfeited to the Landlord or, at the option of the Landlord, shall be used to set off all loss and damage sustained by the Landlord but the rights and remedies given to the Landlord by this clause shall be deemed cumulative remedies and shall not prejudice any right of action or any remedy of the Landlord for the recovery of any rent or money due to the Landlord by the Tenant or in respect of any antecedent breach of the Tenant's agreement terms and conditions herein contained.

Notice of Re-entry

2. A written notice served by the Landlord on the Tenant in manner hereinafter mentioned to the effect that the Landlord thereby exercises the power of re-entry and/or forfeiture herein contained shall be a full and sufficient exercise of such power without physical entry on the part of the Landlord and notwithstanding any statutory or common law provision to the contrary.

Acceptance of Rent
Not to Operate as
Waiver

3. Acceptance of rent and/or other charges by the Landlord shall not be deemed to operate as a waiver by the Landlord of any right to proceed against the Tenant in respect of any breach, non-observance or non-performance by the Tenant of any of the agreements, stipulations and conditions herein contained and on the Tenant's part to be observed and performed.

Default, Neglect or
Omission of the
Servant of the
Tenant

4. For the purpose of these presents any act, default, neglect or omission of any servant, agent or licensee (as hereinbefore defined) of the Tenant shall be deemed to be the act, default, neglect or omission of the Tenant.



Distress for Rent

5. For the purpose of distress for rent in terms of Part III of the Landlord and Tenant (Consolidation) Ordinance (Chapter 7) and of this Lease, the rent payable in respect of the Premises shall be and be deemed to be in arrears if not paid in advance at the times and in manner hereinbefore provided for payment thereof.

6. Notwithstanding anything whatsoever contained in this Lease (including Section IV), if the Tenant shall fail promptly to pay the rental and/or other charges and/or other moneys herein reserved (including the rents, rates and other charges referred to in Section II of this Lease) or any part thereof on due date the Landlord shall be entitled to:-

Collection Charges,
Interest & etc.

(a) recover from the Tenant as a debt the following expenses incurred by the Landlord in the course of recovering the rental and/or other charges in arrears and/or other moneys unpaid or any part thereof :-

(i) a collection charge of such sum as the Landlord shall conclusively determine from time to time for the additional work incurred by the Landlord's staff in collecting the rental and/or other charges in arrears and/or other moneys unpaid or any part thereof from the Tenant;

(ii) all Solicitors' and/or Counsel's fees (on a solicitor and own client basis) and court fees incurred by the Landlord for the purpose of recovering the rental and/or other charges in arrears and/or other moneys unpaid or any part thereof from the Tenant;

(iii) any other fees paid to debt-collectors appointed by the Landlord for the purpose of collecting the rental and/or other charges in arrears and/or other moneys unpaid or any part thereof from the Tenant;

(iv) interest calculated at the rate of 1.25% per month on the rental and/or other charges in arrears and/or other moneys unpaid or any part thereof from the date due for payment to the date of actual payment; and

Disconnect Supply
of Services

(b) disconnect or discontinue the supply of services to the Premises and/or to the Tenant such as water, electric power, management services and air-conditioning services forthwith without prior notice to the Tenant.

SECTION IX **DEPOSIT**

Deposit

- 1.(a) Upon the signing hereof, the Tenant shall pay to the Landlord an amount equivalent to six months' highest Basic Rental and service charges more particularly described in Parts II and III of the Second Schedule hereto as security for the observance and performance by the Tenant of the terms covenants and conditions on the part of the Tenant to be observed and performed hereunder.
- (b)
 - (i) Upon the signing hereof, the Tenant shall also deliver to the Landlord a guarantee in favour of the Landlord issued by a bank in Hong Kong which is acceptable to the Landlord and in a form satisfactory to the Landlord for an aggregate amount equal to six months' highest Basic Rental and service charges referred to above as security for the observance and performance by the Tenant of the terms covenants and conditions on the part of the Tenant to be observed and performed hereunder.
 - (ii) If the Tenant fails to submit the guarantee referred to in sub-clause (b)(i) above on or before the Lease Commencement Date, the Tenant shall forthwith pay to the Landlord an amount equivalent to six months' highest Basic Rental and service charges referred to above in cash as security for the observance and performance by the Tenant of the terms covenants and conditions on the part of the Tenant to be observed and performed hereunder. Notwithstanding anything to the contrary contained herein, the cash deposit paid by the Tenant under this sub-clause shall be credited to the Tenant without interest within 60 days after the receipt of the guarantee referred to in sub-clause (b)(i) by the Landlord.
- (c) To the intent that in the event that the monthly rental and/or service charges payable hereunder are increased pursuant to the terms of this Lease or that the guarantee referred to in sub-clause (b)(i) above shall expire or be rendered void, voidable or determined due to whatever cause, the amount then payable under sub-clause (a) above and the guarantee referred to in sub-clause (b)(i) above shall be increased or replaced accordingly. The Tenant shall on each of the dates of the commencement of any such increase or 3 months before the date on which the said guarantee expires or becomes void, voidable or determined as the case may be (i) pay to the Landlord an additional cash deposit equal to the difference between six months' highest Basic Rental and service charges payable by the Tenant immediately prior to such date and six months' highest Basic Rental and service charges payable by the Tenant as from such date and (ii) deliver to the Landlord a new guarantee ("the new guarantee") in substitution for the guarantee



then held by the Landlord. Upon receipt of the items (i) and (ii) abovementioned, the Landlord shall return to the Tenant the guarantee then held by it. Each new guarantee to be delivered by the Tenant to the Landlord shall be on substantially the same terms as that delivered under sub-clause (b) above but in any event to the satisfaction of the Landlord save that the aggregate amount payable thereunder shall be an amount equal to six months' highest Basic Rental and service charges payable hereunder at the time when the same is required to be delivered to the Landlord in accordance with this clause. Alternatively the Tenant may, at its option and in lieu of the new guarantee aforementioned, deliver to the Landlord an additional bank guarantee ("the additional guarantee") on the same terms as that delivered under sub-clause (b)(i) above and to the satisfaction of the Landlord, for an amount equal to the difference between six months' highest Basic Rental and service charges payable by the Tenant immediately prior to such date and six months' highest Basic Rental and service charges payable by the Tenant as from such date. Any additional cash deposit paid to the Landlord or new guarantee (together with any additional guarantee) delivered to the Landlord hereunder shall be held by the Landlord as security for the due observance and performance by the Tenant of the terms covenants and conditions on the part of the Tenant to be observed and performed hereunder. Provided That in the event of the Tenant defaulting in delivering to the Landlord the additional cash deposit and/or the new guarantee or the additional guarantee on the date when the monthly rent and/or service charges is increased or the date on which the said guarantee expires or becomes void, voidable or determined as the case may be, the Landlord shall be entitled to forthwith terminate this Lease and to exercise its rights under sub-clause (d) below. Alternatively, if so requested by the Landlord, the Tenant shall forthwith deposit and maintain with the Landlord in cash such sum as shall be sufficient and adequate to supplement the guarantee(s) (if still valid) and the cash deposit then held by the Landlord so that the Landlord shall hold a valid guarantee (if any) and cash deposit for an aggregate amount equal to twelve months of the highest Basic Rental and service charges as security for the purpose aforesaid and Clauses 1(d) and 2 of this Section shall apply to such cash deposit.

- (d) In the event of the Tenant defaulting in the payment of rent or service charges or other payments hereby reserved or in the observance or performance of the terms covenants and conditions on the part of the Tenant to be observed or performed hereunder, the Landlord shall be entitled (without prejudice to any other right or remedy which the Landlord may have against the Tenant) to terminate this Lease in which event the whole of the cash deposit and the amount covered by the guarantee(s) then held by it shall be forfeited to the Landlord absolutely or, at the option of the Landlord, shall be used to set off all loss and damage sustained by

the Landlord. Notwithstanding the foregoing, the Landlord may in any such event at its option elect not to terminate this Lease but to deduct from the cash deposit and/or demand payment under the guarantee(s) then held by it the amount of any rent or service charges or other payments payable hereunder but unpaid by the Tenant together with any costs expenses loss or damage sustained by the Landlord as a result of any non-observance or non-performance by the Tenant of any of the said terms covenants and conditions in which event the Tenant shall, as a condition precedent to the continuation of the tenancy, deposit with the Landlord the amount so deducted and provide such further guarantee to the Landlord as shall be sufficient and adequate to supplement the guarantee(s) which has been called upon so that the Landlord shall again hold valid guarantee for an aggregate amount equal to three months of the then current monthly rental and service charges and if the Tenant shall fail so to do, the Landlord shall forthwith be entitled to re-enter on the Premises and to determine this Lease, in which event the whole of the cash deposit and the amount covered by the guarantee(s) then held by the Landlord shall be forfeited to it as hereinbefore provided.

2. The cash deposit paid to the Landlord hereunder except the amount paid under Clause 1(b)(ii) above together with the last guarantee (and, if applicable, together with any additional guarantee) delivered to the Landlord hereunder shall be returned to the Tenant on whichever is the later of :-

- (a) Thirty days after the expiration or sooner determination of this Lease otherwise than as a result of a breach by the Tenant and delivery of vacant possession of the Premises to the Landlord; and
- (b) Thirty days after the Tenant's submission to the Landlord of the statements of total Gross Sales for the period from the beginning of the last financial year of the Tenant before the expiry of the said term to the expiry date of the said term in accordance with paragraph 1.4 of Part II of the Second Schedule hereto and settlement of the last outstanding claim by the Landlord against the Tenant in respect of any breach, non-observance or non-performance of any of the agreements, stipulations or conditions herein contained and on the part of the Tenant to be observed and performed.



SECTION X **REGULATIONS**

Introduction of
Regulations

1. The Landlord reserves the right from time to time and by notice in writing to the Tenant to make and introduce, and subsequently amend, adopt or abolish if necessary, such regulations as it may consider necessary for the management and maintenance of the Building and/or the Podium.

Conflict Between
Regulations and the
Lease

2. Such regulations shall be supplementary to the terms and conditions contained in this Lease and shall not in any way derogate from such terms and conditions. In the event of conflict between such regulations and the terms and conditions of this Lease, the terms and conditions of this Lease shall prevail.



SECTION XI

SALE AND REDEVELOPMENT

Sale and
Redevelopment

It is hereby agreed that notwithstanding anything herein contained and any law to the contrary :-

1. At any time during the said term if the Landlord shall resolve to :-
 - (a) sell the Premises; or
 - (b) re-develop the Premises or the Podium or the Building or any part thereof whether wholly by demolition and rebuilding or otherwise, or partially by renovation, refurbishment or otherwise or amend change or alter the layout or configuration of the Podium or the Building or any part thereof either alone or jointly with the owner or owners of the other premises of the Podium and/or the Building

then in any of such events the Landlord shall have the right upon giving six months' previous notice in writing ("the Termination Notice") to the Tenant to terminate this Lease and this Lease and the said term shall determine upon the expiration of the Termination Notice but without prejudice to the rights and remedies of either party against the other in respect of any antecedent claim or breach of any of the agreements or stipulations herein set out. The Tenant shall deliver vacant possession of the Premises to the Landlord upon the expiration of the Termination Notice and shall not be entitled to claim any damages or compensation in respect of such early determination.

2. For the purpose of this clause and Lease :-
 - (a) the Landlord is deemed to have resolved to sell the Premises or to re-develop the Premises or the Podium or the Building or any part thereof if the Landlord has passed a resolution by its Board of Directors to the effect that the Landlord intends to sell the Premises or re-develop the Premises or the Podium or the Building or any part thereof as aforesaid; and
 - (b) the said term shall be deemed to include any extended term hereunder, whether created by virtue of the Tenant's exercise of its optional right(s) (if any) or otherwise, and the Termination Notice can expire at any time during the said term.
3. The Tenant's optional right(s) (if any) shall extinguish and determine upon the service of the Termination Notice (whether the same shall have been exercised by the Tenant or not) and the Tenant shall not be entitled to any claim against the Landlord for any damages or compensation or any relief against such early determination of optional right(s).



SECTION XII

INTERPRETATION AND MISCELLANEOUS

- | | |
|---------------------------------|---|
| Landlord and Tenant Legislation | 1. To the extent that the Tenant can lawfully do so, the Tenant hereby expressly agrees to deprive himself of all rights (if any) to protection against eviction or ejection afforded by any existing or future legislation from time to time in force and applicable to the Premises or to this lease and the Tenant agrees to deliver up vacant possession of the Premises to the Landlord on the expiration or sooner termination of the lease hereby created, notwithstanding any rule of law or equity to the contrary. |
| Condonation Not a Waiver | 2. No condoning, excusing or overlooking by the Landlord of any default, breach, non-observance or non-performance by the Tenant at any time or times of any of the Tenant's obligations herein contained shall operate as a waiver of the Landlord's rights hereunder in respect of any antecedent continuing or subsequent default, breach, non-observance or non-performance or so as to defeat or affect in any way the rights and remedies of the Landlord hereunder in respect of any such antecedent continuing or subsequent default breach non-observance or non-performance and no waiver by the Landlord shall be inferred from or implied by anything done or omitted by the Landlord, unless expressed in writing and signed by the Landlord. Any consent given by the Landlord shall operate as a consent only for the particular matter to which it relates and in no way shall be considered as a waiver or release of any of the provisions hereof nor shall it be construed as dispensing with the necessity of obtaining the specific written consent of the Landlord in the future, unless expressly so provided. |
| Service of Notice | 3. Any notice, process or demand required to be served hereunder or in connection with the tenancy shall, if to be served on the Tenant, be sufficiently served if addressed to the Tenant and sent by prepaid post to or delivered at the Premises or the Tenant's last known registered office or place of business or residence in Hong Kong and, if to be served on the Landlord, be sufficiently served if addressed to the Landlord and sent by prepaid post to or delivered at the address given above or any other address which the Landlord may notify the Tenant from time to time. A notice sent by post shall be deemed to have been received by the Tenant at the time when in due course of post it would be delivered at the address to which it is sent. |
| No Fine, Premium & etc. | 4. The Tenant acknowledges that no fine, premium, key money or other consideration has been paid by the Tenant to the Landlord for the grant of this lease. |
| Full Agreement | 5.(a) This Lease supersedes any and all previous representations, arrangements, understandings and agreements between the parties (whether by themselves or through their respective agents and whether written or oral) relating to the Premises and/or any |



tenancy of the Premises and constitutes the entire, complete and exclusive agreement and understanding between them relating to the tenancy of the Premises and there are no other express terms (whether by themselves or through their respective agents and whether written or oral) or implied terms agreed between them. Unless otherwise agreed or confirmed by the parties in writing after the date of this Lease, this Lease cancels any and all previous representations, arrangements, understandings and agreements between the parties (whether by themselves or through their respective agents and whether written or oral) relating to the Premises and/or any tenancy of the Premises. This Lease also cancels and nullifies any and all rights of either party arising against the other by virtue of all or any of such previous representations, arrangements, understandings and agreements or the provisions thereof, notwithstanding the existence of any provision in any such previous agreement that such rights or provisions shall survive the termination of such previous agreement.

- (b) Each party acknowledges that in entering into this Lease, it is not relying upon any representation, arrangement, understanding, agreement, warranty, undertaking, promise or assurance made or given by the other or any other person (whether by themselves or through their respective agents and whether written or oral) at any time prior to the execution of this Lease which is not expressly set out in this Lease.

Right to Name the
Building Reserved

6. The Landlord reserves the right to name the Building or the Podium with any such name(s) or style(s) as it may in its sole discretion determine and at any time and from time to time to change, alter, substitute or abandon any such name(s) or style(s) provided that the Landlord shall give to the Tenant and where necessary, to the Postal and other relevant Government Authorities not less than three months' notice of its intention so to do and the Landlord shall not be liable for any costs or expenses incurred or any loss suffered by the Tenant as a result of such change.

Gender

7. Unless the context otherwise requires, words herein importing the masculine gender shall include the feminine and neuter genders and words herein in the singular shall include the plural and vice versa.

Legal Costs and
Stamp Duty

8. The Stamp Duty and Land Registry registration fee (if any) on this Lease and on its counterpart shall be borne by the parties hereto in equal shares PROVIDED THAT the Tenant shall pay to the Landlord an administration fee as specified by the Landlord in writing for preparation, approval and stamping of this Lease. If the Tenant shall instruct his own firm of Solicitors to act for him in connection with this lease, the Tenant shall be fully responsible for paying his own legal costs and expenses and shall further be responsible for paying the Landlord's administration fee as



aforesaid.

No Warranty of
User

9. The Landlord does not warrant that the Premises are fit for the purpose for which they are let or for any other purposes whatsoever used or intended to be used by the Tenant and shall not be responsible or liable to the Tenant for any damages or loss in respect thereof. In particular, the Landlord does not warrant that the technical requirements of the Premises are suitable for the Tenant's business carried on or intended to be carried on at the Premises and the Landlord shall not be responsible for providing the certificate of the fire resistance rating of the enclosure walls of the Premises. The Landlord's consent to the use of the Premises shall not in any way be taken as a guarantee or warranty that the Premises are fit for such use and the Tenant should procure and obtain all necessary approvals, permits, consents or licences from all relevant authorities pursuant to Clause 25 of Section III.

Marginal Notes
Heading & Index

10. The Marginal Notes, Headings and Index are intended for guidance only and do not form a part of this Lease nor shall any of the provisions of this Lease be construed or interpreted by reference thereto or in any way affected or limited thereby.

Joint Tenants

11. Where more than one person is included under the designation "the Tenant" all such persons signing this Lease as Tenant shall be jointly and severally liable for the due observance and performance of all the terms, agreements and obligations herein contained and on the Tenant's part to be observed and performed notwithstanding that such persons hold as tenants in common, joint tenants or otherwise.

Reinstatement

12.(a) The Tenant shall at its sole expense reinstate the Premises to a "bare shell" condition together with the Electricity Cable, all fixtures, fittings and equipment provided by the Landlord (including but not limited to roller shutters and/or glass panel(s) and glass door(s) provided by the Landlord for the shopfront, if any) therein and thereto and all walls, ceilings and floors in a good, clean and tenantable repair and condition to the satisfaction of the Landlord and make good any damage to the Premises caused thereby at the expiration or sooner determination of this Lease.

(b) Notwithstanding Clause 12(a) above, in the event that the Tenant shall make any alterations or additions to the Premises during the said term, the Landlord shall have the right to require the Tenant at its sole expense to remove and/or retain any or all such alterations or additions Provided that the necessary approval(s) has been first obtained by the Tenant from the Buildings Department and/or other competent authorities in respect of the related removal works.

(c) Notwithstanding Clauses 12(a) and 12(b) above, the Tenant shall leave the Premises in such other condition as may be directed by the



Landlord at the expiration or sooner determination of this Lease.

Manager

13. Wherever it is provided in this Lease that the Landlord is entitled or empowered to do certain things, such things can be done by the Landlord through the management agent from time to time appointed by the Landlord to be the manager of the Building or the Podium.

Landlord's Agent

14. The Tenant shall pay to the Landlord's agent, Hutchison Estate Agents Limited ("HEAL"), all deposits, rents, other charges and all other monies payable by the Tenant to the Landlord under this Lease. The receipt by HEAL from the Tenant of any monies as aforesaid shall be a sufficient discharge of the Tenant's obligation in respect of the payment of such monies.

The Contracts
(Rights of Third
Parties) Ordinance
(Cap.623)

15. The Contracts (Rights of Third Parties) Ordinance (Cap.623) shall not apply to this Lease (save and except for Clause 5 of Section VI of this Lease) and unless specifically herein provided no person other than the parties to this Lease shall have any rights under it nor shall it be enforceable by any person other than the parties to it.

Personal Data
Statement

16. The Tenant hereby acknowledges that it fully understands the contents contained in the Personal Data Statement to Customers of the Landlord which has been produced to the Tenant for its perusal.

Registration at Land
Registry

17. Upon the termination of this Lease by the Landlord or the Tenant pursuant to any provision herein contained, the Landlord shall have the right if this Lease or a memorandum of Lease shall have been registered in the Land Registry to register in the Land Registry a Memorandum of termination of this Lease duly executed or signed by the Landlord.



SECTION XIII **SPECIAL CONDITIONS**

- | | |
|-----------------------------------|---|
| Town Gas | 1. The Tenant shall not use any fuel other than town gas and shall not construct or erect or cause to be constructed or erected any chimney or smoke stack in the Premises in that connection. |
| Insurance | 2. The Tenant shall for the duration of the said term and any extended term take out an adequate insurance policy with a reputable insurance company to cover all risks in respect of any injury loss or whatsoever damage to property or to any person or persons using the Premises or to the Tenant's licensees in connection with the provision and consumption of food drink beverages on the Premises. The Tenant shall produce a copy of such insurance policy to the Landlord upon the Landlord's request. The Tenant shall further indemnify and keep the Landlord indemnified against all claims, costs, expenses, damages and demands arising therefrom. |
| Removal of Food
Waste & Refuse | 3. The Tenant shall at Tenant's cost provide and ensure that all food waste and refuse shall be kept in suitable containers securely and fully sealed and shall procure the removal of such food waste and refuse from the building in which the Premises stands to such location and at such times as the Landlord shall specify from time to time without creating any nuisance or excessive odour in the process of such removal. |
| Pest Control | 4. The Tenant shall at its own cost and expense make suitable and adequate arrangements for pest control against cockroaches rodents and other vermin to be conducted in and at the Premises on a regular basis and compatible with the Tenant's operation of the Premises for the purpose as mentioned in Clause 1 of Section III hereof. If the Tenant shall default in fulfilling its obligations as aforesaid or if the Landlord shall have grounds for dissatisfaction over the pest control measures carried out by the Tenant in and at the Premises (which the Landlord's opinion shall be conclusive), the Landlord shall have the right to request the Tenant to carry out any effective control measures which the Landlord may in its discretion deem necessary, including but not limited to employing a rodent control specialist recommended by the Landlord to carry out rodent control service in and at the Premises and to submit regular reports to the Landlord in this respect. If the Tenant shall have failed within a reasonable time to comply with the Landlord's said request the Landlord shall have the right to appoint a competent pest control contractor whom the Landlord shall think fit to carry out the necessary/comprehensive pest control measures in and at the Premises and the costs thereof shall be a debt due from the Tenant to the Landlord and be forthwith recoverable by action. If the Landlord shall exercise the right to appoint such pest control contractor for the purpose aforesaid and shall have so notified the Tenant in writing, the Tenant shall afford the pest control contractor and its workmen with tools and apparatus access to the Premises at suitable times |



for the purpose of such measures and shall render its fullest cooperation to the contractor in the carrying out of the measures and shall further indemnify and keep indemnified the Landlord and the pest control contractor so appointed by the Landlord against all claims demands and action arising from the pest control measures so carried out in and at the Premises. For the above mentioned purposes, the Landlord and all persons authorised by it shall be permitted to enter and view the Premises at all reasonable times.

Kitchen and
Drainage System

5. The Tenant shall at its cost and expense fit out and furnish the flooring of the kitchen (if any) in the Premises and the drainage system thereof with water-proofing materials to prevent seeping of water from the Premises to other areas of the Building and keep and maintain the same in good and tenantable repair and condition (structural and latent defects excepted) to the satisfaction of the Landlord and in accordance with the regulations or by-laws of all Public Health and other Government Authorities.

6. Without prejudice to any other obligation of the Tenant herein contained the Tenant shall at its own cost and expense keep all kitchen and cooking equipment used exclusively by the Tenant and his servants, agents, licensees and customers in clean and good repair and condition (structural and latent defects excepted) to the satisfaction of the Landlord and in accordance with the regulations or bye-laws of all Public Health and other Government Authorities. In particular but without prejudice to generality of the foregoing, the Tenant shall:-

Grease Filters

(a) Install and maintain at all times hoods over all cooking equipment in the kitchens of the Premises together with suitable grease filters;

Ventilation, Air-
Exhaust System and
etc.

(b) Install and maintain all necessary grease traps grease filters air-transfer grilles screw-in valves in all ducting, smoke vents, ventilation and air-exhaust system and pipes in the kitchens and in all other parts of the Premises in good, clean and working order and free from blockage and obstruction and to inspect and clean the same with hot water and strong solvent at regular intervals and to replace the same whenever necessary PROVIDED always and without prejudice to any right of the Landlord to inspect the Premises, the Landlord may, at any time on giving reasonable notice to the Tenant, enter the Premises with or without workmen and with or without apparatus to inspect the Premises and view the condition of the said hoods grease traps grease filters air-transfer grilles screw-in valves smoke vents ventilation and air-exhaust system and pipes and if there shall be found to be any defect or want of repair thereto the Landlord may forthwith execute such repairs or works as may be necessary and the costs thereof shall be a debt due from the Tenant to the Landlord and be forthwith recoverable by action. The Tenant further agrees with the Landlord

that the Tenant shall at its sole cost and expense carry out comprehensive maintenance of the said grease traps including chemical degreasing and cleaning of the installations on a regular basis and shall in carrying out the said work use only such contractor recommended by the Landlord and/or its agents.

Service to
Customers

7. The Tenant shall furnish first class service to the patrons and customers of the Tenant.

Reduction of
Odours and/or
Smoke

8. Without prejudice to any other obligation of the Tenant herein contained the Tenant shall at its own cost and expense take all steps the Landlord deems appropriate (the opinion of the Landlord in this respect shall be final and conclusive and be binding on the Tenant) in order to reduce the odours and / or smoke produced upon, permeate through or emanate from the Premises to a level to the satisfaction of the Landlord. In particular but without prejudice to the generality of the foregoing, the Tenant shall:-

- (a) install de-odorising and cooking fume removal equipment and / or systems like Electro-Precipitation and Nano-Confirmed Catalytic Oxidation De-odorising (NCCO), Ultra Violet Type C Lighting System (UV-C) or equivalent equipment and / or system (the "Equipment") in or at the Premises;
- (b) before installing the Equipment, submit details, plans and specifications in respect of the Equipment itself and the installation thereof to the Landlord or its agent for its prior approval in writing provided that the Landlord or its agent may in its absolute discretion accept or reject such details, plans and specifications as it thinks fit;
- (c) maintain at all times the Equipment in good, clean and working order to the satisfaction of the Landlord and to replace the consumable parts and materials of the Equipment or the entire Equipment in order to ensure that the total cooking fume emitted from the exhaust shall not exceed 6 mg/m^3 and the Equipment can remove not less than sixty-five percent (65%) of Carbonyl Compound, including but not limited to Formaldehyde, Acetaldehyde, Acrolein, Acetone, Propionaldehyde, Crotonaldehyde, Butyraldehyde, Benzaldehyde, Isovaleraldehyde, Valeraldehyde, o-tolualdehyde, m-tolualdehyde, p-tolualdehyde, Hexylaldehyde and 2,5-dimethylbenzaldehyde, provided always and without prejudice to any right of the Landlord to inspect the Premises, the Landlord may, at any time on giving reasonable notice to the Tenant, enter the Premises with or without workmen and with or without apparatus to inspect the Premises and view the condition of the Equipment and



if there shall be found to be any defect or want of repair thereto or the Equipment cannot remove not less than sixty-five percent (65%) of Carbonyl Compounds or the total cooking fume emitted shall exceed 6 mg/m³ as aforesaid, the Tenant shall forthwith execute such repair and / or replacement works as the Landlord deems appropriate; and

- (d) submit comprehensive testing reports of the Equipment which show such information as specified by the Landlord, including but not limited to the effectiveness of the Equipment in removing not less than sixty-five percent (65%) of Carbonyl Compounds and maintaining the total emitted cooking fume emitted to a level of less than 6 mg/m³ as mentioned in Clause 8 (c) above, as and when required by the Landlord or its agent.

Escalators

9. The Tenant shall be responsible for the cleaning and utility charges and operating costs (if any) of the escalators which serve exclusively the Premises at the locations shown and coloured yellow on the Plans annexed hereto for identification purpose only. For the avoidance of doubt, the Landlord shall bear the repair and maintenance expenses of the said escalators.

Confidentiality

10. The Tenant undertakes that it shall and shall procure that its employees, servants and agents ("Personnel") shall hold in confidence and not disclose any terms and conditions contained hereunder ("the Confidential Information") to any third party without the prior written consent of the Landlord and shall limit access to the Confidential Information only to such Personnel who have a need to know the Confidential Information in the course of the performance and observance of the tenancy hereby created. The Tenant agrees that in the event of any breach of this Clause, the Landlord shall have the right to terminate this Lease and the deposit paid under Section IX hereof shall be absolutely forfeited to the Landlord or, at the option of the Landlord, shall be used to set off all loss and damage sustained by the Landlord without prejudice to the Landlord's right of action or any remedy to claim for damages arising from such breach over and above the said deposit. Notwithstanding the above, the Tenant may register in the Land Registry a memorandum of lease in a form approved by the Landlord in writing.

Device for
Receiving Receipts

11(a). The Tenant shall permit the Landlord and all persons authorized by it to install and operate in the Premises and from time to time to inspect, repair or replace any device, equipment, appliance, apparatus, mechanism, instrument whether electronic or otherwise (collectively called "the Device") which the Landlord may deem necessary for the purpose of testing, ascertaining or determining the gross receipts. The Tenant shall adopt and use the Device as the Tenant's only device for receiving gross receipts and shall input the gross receipts in relation to each and every



transaction into the Device immediately upon receipt thereof. The Tenant shall not interfere with, conceal or remove the Device and/or the connection from the Device to the internet through telephone line dial up or connected broadband. The Tenant shall link its own cashier to the Landlord's control devices for the purpose of calculation of Gross Turnover as defined in paragraph 2.1 of Part II of the Second Schedule. The Tenant shall purchase the Device from the Landlord's recommended suppliers and bear all costs in relation thereto including the cost of a dedicated telephone line or broadband service for internet connection.

Close Circuit
Television and etc.

(b). The Tenant shall permit the Landlord and all persons authorized by it to install and operate in the Premises and from time to time to inspect, repair or replace any close circuit television or similar device for the purpose of ensuring the Tenant's full compliance with its obligations set out in Clause 11(a) above. The Tenant shall not interfere with, conceal or remove the said close circuit television or similar device.

Fresh Water Supply

12. The Tenant shall take over the existing fresh water supply pipe(s) connecting to the Premises left behind by the previous tenant of the Premises and shall accept all liabilities thereof. The Tenant shall at its own cost modify the said fresh water supply pipe(s) and the respective water meter if such modification is required for the Tenant's operation of the Premises for the purpose as mentioned in Clause 1 of Section III hereof Provided that the Tenant shall review and study the technical feasibility and obtain the prior written approval of the Landlord and/or the manager of the Building and the Water Supplies Department for the modification of permanent water meter and fresh water supply pipes.

Drain Point

13. The Tenant shall take over the drain point at the Premises left behind by the previous tenant of the Premises and all associated drainage pipes and the drainage system (if any) and shall accept all liabilities and/or all costs incurred thereof. The Tenant shall at its own cost carry out any modification, alteration and/or addition work(s) for the drain point at the Premises with drainage pipe(s) connecting to the building drainage system if the same are required for the Tenant's operation of the Premises for the purpose as mentioned in Clause 1 of Section III hereof Provided that the Tenant shall review and study the technical feasibility and obtain the prior written approval of the Landlord and/or the manager of the Building for such works. For the avoidance of doubt, before carrying out such works, the Tenant shall engage suitably qualified engineers to prepare proper building services plans and all relevant and/or related documents/reports in relation thereto ("the Documents") and submit the Documents to the Landlord and/or the manager of the Building for its prior written approval. In addition, the Tenant shall obtain the approval of the Building Authority and/or other competent Government authorities in respect of such works in strict compliance with the Buildings Ordinance applicable from time to time.



- Fan coil units
- 14.(a) Prior to the commencement of this Lease, the Tenant had dismantled all the fan coil units provided by the Landlord and installed its own air-conditioning equipment inside the Premises (“the Tenant’s Equipment”). The Landlord shall not be responsible for the repair and maintenance of the Tenant’s Equipment.
- (b) At the expiration or sooner determination of this Lease, the Tenant shall remove the Tenant’s Equipment and make good all affected areas to the satisfaction of the Landlord. Notwithstanding the above, the Tenant shall leave the Tenant’s Equipment or any part thereof in such other condition as may be directed by the Landlord at the expiration or sooner determination of this Lease.
- Telecommunication Equipment
15. Notwithstanding any provision in this Lease, the Landlord shall permit the Tenant or its licensees to install on the Premises or any part thereof from time to time telecommunication equipment including but not limited to base stations and jump switches and whether or not such equipment is for the use of the Tenant, its licensees and/or its customers. In carrying out any installation work of the said telecommunication equipment, the Tenant shall use only the telecommunication companies to be approved by the Landlord in writing (such approval shall not be unreasonably withheld).
16. The Tenant shall at its own cost use the Landlord’s recommended contractor to install the electricity cable leading from the main switch room to the periphery of the Premises subject to the Landlord’s prior written approval and shall take up the said cable forthwith during the said term.
- Condition Precedent
- 17.(a) Notwithstanding that the terms and conditions of this Lease including the revised rent, term and other charges contemplated hereunder (“the New Terms”) shall take effect from 1 May 2026, this Lease shall be conditional upon the Tenant having made all necessary announcements and obtained all necessary approvals required the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited (including where applicable, approval of the shareholders at the extraordinary general meeting of the Tenant) for this Lease and the transaction contemplated hereunder (the “Condition Precedent”).
- (b) If the Condition Precedent is not fulfilled on or before 30 October 2026 (or such later date as the Landlord and the Tenant may agree in writing), this Lease shall automatically lapse and be of no further effect and no New Terms shall take effect. The Lease dated 18 October 2017 entered into between the parties herein shall continue in full force and effect on its original terms and conditions as if this Lease had never been entered into. Neither party shall have any claim against the other in respect



of the New Terms and/or this Lease in such circumstances.

IN WITNESS whereof the parties have executed the Lease the day and year first above written.



THE FIRST SCHEDULE ABOVE REFERRED TO **DESCRIPTION OF PREMISES**

ALL THOSE PORTIONS on the GROUND FLOOR and the FIRST BASEMENT of the COMMERCIAL PODIUM of SITES 5 AND 6, WHAMPOA GARDEN erected on ALL THAT piece or parcel of ground registered in the Land Registry as Section E of Kowloon Inland Lot No. 10750 which said Portions on the Ground Floor and the First Basement are shown and coloured pink on the Plans annexed hereto (with a lettable area of approximately 184,169 square feet).

THE SECOND SCHEDULE ABOVE REFERRED TO **PART I - LEASE COMMENCEMENT DATE**

Lease Commencement Date : 1 May 2026

PART II - PARTICULARS OF RENT

1.1 The rent (exclusive of rates, service charges, extra air-conditioning charges (as hereinafter defined), utility and other outgoings) for the said term shall be the Basic Rental as set out in Table A below plus the Turnover Rent (if any) as set out in Table B below: -

(a) Basic Rental

Table A

Term	Basic Rental
Year 1 to Year 3 (From 1 May 2026 to 30 April 2029)	HK\$7,500,000.00 per calendar month
Year 4 to Year 6 (From 1 May 2029 to 30 April 2032) (the "Rent Review Period 1")	The Basic Rental for the Rent Review Period 1 ("the New Basic Rental 1") shall be determined in accordance with sub-paragraph 2 below Provided That the New Basic Rental 1 (i) shall not be lower than HK\$8,300,000.00 per calendar month and (ii) shall not be higher than HK\$9,200,000.00 per calendar month.
Year 7 to Year 9 (From 1 May 2032 to 30 April 2035) (the "Rent Review Period 2")	The Basic Rental for the Rent Review Period 2 ("the New Basic Rental 2") shall be determined in accordance with sub-paragraph 3 below Provided That the New Basic Rental 2 (i) shall not be lower than HK\$8,800,000.00 per calendar month or the New Basic Rental 1 as at Year 6 of the Rent

	Review Period 1 (“the Year 6 Basic Rental”), whichever is the higher, and (ii) shall not be more than 110% of the higher of either HK\$8,800,000.00 or the Year 6 Basic Rental per calendar month.
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- (1) Subject always to the conditions on the New Basic Rental 1 and the New Basic Rental 2 as set out in Table A above, the New Basic Rental 1 and the New Basic Rental 2 shall be at a monthly rent and at the open market rent as assessed and determined in accordance with sub-paragraphs (2) and (3) below.
- (2) The New Basic Rental 1 shall be determined as follows:-
 - (i) The Landlord shall no later than four months before the commencement of the Rent Review Period 1 (hereinafter called “the First Review Date”) serve on the Tenant a notice in writing (hereinafter called “the First Notice of Assessment”) stating the sum which in the Landlord’s assessment is the New Basic Rental 1.
 - (ii) The Tenant shall within fourteen days of the service of the First Notice of Assessment by the Landlord lodge with the Landlord a written notice accepting or rejecting the Landlord’s assessment. If the Tenant shall fail to lodge such notice as aforesaid then the Landlord’s assessment shall be and be deemed the New Basic Rental 1.
 - (iii) If the parties hereto shall fail or otherwise be unable to agree on the New Basic Rental 1 within two months before the First Review Date, either party may by notice in writing require the same to be determined by an independent valuer who shall be a suitably qualified surveyor (hereinafter called “the First Surveyor”).
 - (iv) The First Surveyor shall be appointed by agreement between the Landlord and the Tenant and in the absence of an agreement between the parties hereto shall be appointed by the Chairman for the time being of the Royal Institution of Chartered Surveyors Hong Kong (hereinafter called “RICS HK”) or if RICS HK no longer exists or provides expert or arbitrator nomination services, the head of any other professional body for the time being providing similar services, on the application of either party hereto.
 - (v) If the said Chairman shall for any reason not be available or be unable to make such appointment at the time of application therefor the appointment may be made by the Vice Chairman or next senior officer of RICS HK then available and able to make such appointment or if no such officer of RICS HK shall be so available and able by such officer of such professional body of surveyors as the Landlord shall designate.

- (vi) The First Surveyor so appointed shall have at least seven (7) years' post-qualification experience in valuing premises of a kind and character similar to the Premises for option to renew and/or rent review.
- (vii) The First Surveyor shall give a notice in writing of his appointment to the Landlord and the Tenant, inviting each to submit within a specified period (which shall not exceed two weeks) written representations, submissions and evidence, which may include rental evidence, rental valuations of the Premises, legal opinions and other expert evidence.
- (viii) Subject to sub-clause (ix) below, the First Surveyor shall act as an expert. He shall consider any valuation and reasons submitted to him within the said period but shall not be in any way limited or fettered thereby and shall determine the New Basic Rental 1 in accordance with his own judgment and opinion as to the open market rent of the Premises. The First Surveyor shall give notice in writing of his decision to the Landlord and the Tenant within two months of his appointment or within such extended period as the Landlord may agree and such decision shall be final and binding on the parties.
- (ix) Notwithstanding sub-clause (viii), the Landlord may elect by notice served on the Tenant before the First Review Date and before the appointment of the First Surveyor that the First Surveyor will act as an arbitrator and not as an expert in which case the arbitration shall be conducted in accordance with the Arbitration Ordinance (Cap. 609) or any re-enactment or amendment of the same.
- (x) In determining the open market rent of the Premises, the First Surveyor shall take into account the open market rent of prime commercial accommodation in the Building and/or similar first class commercial development in Hong Kong having similar characteristics and attributes comparable to the Premises making the assumptions as referred in sub-paragraph (I) (hereinafter called "the First Assumptions") but disregarding the disregarded matters as referred in sub-paragraph (II) hereof (hereinafter called "the First Disregarded Matters")

(I) First Assumptions

- a. The covenants herein contained on the part of the Landlord and the Tenant have been fully performed and observed.
- b. The Premises are available to let with vacant possession (but fully fitted out and equipped ready for immediate occupation and use) in the open market by one lease (hereinafter called "the First Hypothetical Lease") by a willing landlord to a willing tenant.



- c. The First Hypothetical Lease contains the same terms as this Lease except for the amount of the rent, and any rent free period granted and any restriction as to the use of the Premises and except as set out in sub-paragraph d. hereof.
- d. The term of the First Hypothetical Lease is for a term of three years and such term starts on the First Review Date.
- e. The Premises are ready and fit for immediate occupation and are fully fitted out and equipped ready for business operations to a standard commensurate with a first class commercial development in Hong Kong and all necessary consents have been obtained for that business use and all fitting out, equipping and other works required by that willing tenant have been completed so that the Premises are capable of being used by that willing tenant from the beginning of the term of the letting for its business.
- f. No works has been carried out to the Premises or the Building that has reduced the rental value of the Premises.
- g. If the whole or any part of the Building or the Premises, or the whole or any part of the means of access or any services to the Premises has been destroyed, damaged or removed, the same has been fully reinstated and restored.
- h. No reduction is to be made to take account of or compensate the Tenant for the absence of any concession or other incentive which on a new letting with vacant possession might be granted to the incoming tenant for carrying out its fitting out works or double overheads or costs of any other description associated with moving to the Premises such as, without limitation, any rent free periods or other concession and incentives to cover fitting out costs, reinstatement costs, double overheads.
- i. Any renovation and/or improvement works of the Building which are currently being carried out have been completed.

(II) First Disregarded Matters

- a. Any goodwill attached to the Premises by reason of any business carried on the Premises.
- b. The Tenant's trade and/or business carried on the Premises.
- c. Any effect on rent of the fact that the Tenant or the Tenant's sub-tenant is or has been in occupation of the Premises.



- d. Any decrease in rental value of the Premises attributable to any temporary works, operations or other activities in, on or at any adjoining property or the Building or any part thereof.
 - e. Any obligation to reinstate the Premises at the expiry of the term.
 - f. Any abatement of rent under Section VII.
- (xi) If the First Surveyor shall fail to determine the New Basic Rental 1 and give notice thereof within the time and in the manner hereinbefore provided or if he shall relinquish his appointment or die or if it shall become apparent that for any reason he will be unable to complete his duties hereunder, the Landlord or the Tenant may apply to the said Chairman or other person as hereinbefore provided for a substitute to be appointed in this place which procedure may be repeated as many times as necessary.
 - (xii) The fees of the First Surveyor shall be borne by the Tenant unless the New Basic Rental 1 determined by the First Surveyor shall be less than that assessed by the Landlord in accordance with sub-clause (i) hereof in which case the expenses of the appointment of the First Surveyor shall be borne by the Landlord and the Tenant in equal shares and each party shall bear its own legal costs.
 - (xiii) In the event that the open market rent has not been determined by the First Surveyor prior to the First Review Date, the rent payable immediately prior to the First Review Date shall continue be paid until the open market rent has been so determined but shall be adjusted and accounted for retrospectively to the First Review Date within 7 days of the open market rent being so determined.
 - (xiv) The other charges for the Rent Review Period 1 shall be such sums as are equivalent to the charges payable immediately prior to the First Review Date after adjustments having been made thereto to take account of any increase in the relative costs which shall then have occurred since commencement of the term granted by this Lease.
 - (xv) The deposit payable for the Rent Review Period 1 shall be adjusted to take into account of and in proportion to the rent and the other charges determined as aforesaid.
- (3) The New Basic Rental 2 shall be determined as follows:-
- (i) The Landlord shall no later than four months before the commencement of the Rent Review Period 2 (hereinafter called "the Second Review Date") serve on the Tenant a notice in writing (hereinafter called "the Second Notice of Assessment") stating the sum which in the Landlord's assessment is the New Basic Rental 2.



- (ii) The Tenant shall within fourteen days of the service of the Second Notice of Assessment by the Landlord lodge with the Landlord a written notice accepting or rejecting the Landlord's assessment. If the Tenant shall fail to lodge such notice as aforesaid then the Landlord's assessment shall be and be deemed the New Basic Rental 2.
- (iii) If the parties hereto shall fail or otherwise be unable to agree on the New Basic Rental 2 within two months before the Second Review Date, either party may by notice in writing require the same to be determined by an independent valuer who shall be a suitably qualified surveyor (hereinafter called "the Second Surveyor").
- (iv) The Second Surveyor shall be appointed by agreement between the Landlord and the Tenant and in the absence of an agreement between the parties hereto shall be appointed by the Chairman for the time being of RICS HK or if RICS HK no longer exists or provides expert or arbitrator nomination services, the head of any other professional body for the time being providing similar services, on the application of either party hereto.
- (v) If the said Chairman shall for any reason not be available or be unable to make such appointment at the time of application therefor the appointment may be made by the Vice Chairman or next senior officer of RICS HK then available and able to make such appointment or if no such officer of RICS HK shall be so available and able by such officer of such professional body of surveyors as the Landlord shall designate.
- (vi) The Second Surveyor so appointed shall have at least seven (7) years' post-qualification experience in valuing premises of a kind and character similar to the Premises for option to renew and/or rent review.
- (vii) The Second Surveyor shall give a notice in writing of his appointment to the Landlord and the Tenant, inviting each to submit within a specified period (which shall not exceed two weeks) written representations, submissions and evidence, which may include rental evidence, rental valuations of the Premises, legal opinions and other expert evidence.
- (viii) Subject to sub-clause (ix) below, the Second Surveyor shall act as an expert. He shall consider any valuation and reasons submitted to him within the said period but shall not be in any way limited or fettered thereby and shall determine the New Basic Rental 2 in accordance with his own judgment and opinion as to the open market rent of the Premises. The Second Surveyor shall give notice in writing of his decision to the Landlord and the Tenant within two months of his appointment or within such extended period as the Landlord may agree and such decision shall be final and binding on the parties.

- (ix) Notwithstanding sub-clause (viii), the Landlord may elect by notice served on the Tenant before the Second Review Date and before the appointment of the Second Surveyor that the Second Surveyor will act as an arbitrator and not as an expert in which case the arbitration shall be conducted in accordance with the Arbitration Ordinance (Cap. 609) or any re-enactment or amendment of the same.
- (x) In determining the open market rent of the Premises, the Second Surveyor shall take into account the open market rent of prime commercial accommodation in the Building and/or similar first class commercial development in Hong Kong having similar characteristics and attributes comparable to the Premises making the assumptions as referred in sub-paragraph (I) (hereinafter called “the Second Assumptions”) but disregarding the disregarded matters as referred in sub-paragraph (II) hereof (hereinafter called “the Second Disregarded Matters”)

(I) Second Assumptions

- a. The covenants herein contained on the part of the Landlord and the Tenant have been fully performed and observed.
- b. The Premises are available to let with vacant possession (but fully fitted out and equipped ready for immediate occupation and use) in the open market by one lease (hereinafter called “the Second Hypothetical Lease”) by a willing landlord to a willing tenant.
- c. The Second Hypothetical Lease contains the same terms as this Lease except for the amount of the rent, and any rent free period granted and any restriction as to the use of the Premises and except as set out in sub-paragraph d. hereof.
- d. The term of the Second Hypothetical Lease is for a term of three years and such term starts on the Second Review Date.
- e. The Premises are ready and fit for immediate occupation and are fully fitted out and equipped ready for business operations to a standard commensurate with a first class commercial development in Hong Kong and all necessary consents have been obtained for that business use and all fitting out, equipping and other works required by that willing tenant have been completed so that the Premises are capable of being used by that willing tenant from the beginning of the term of the letting for its business.
- f. No works has been carried out to the Premises or the Building that has reduced the rental value of the Premises.

- g. If the whole or any part of the Building or the Premises, or the whole or any part of the means of access or any services to the Premises has been destroyed, damaged or removed, the same has been fully reinstated and restored.
- h. No reduction is to be made to take account of or compensate the Tenant for the absence of any concession or other incentive which on a new letting with vacant possession might be granted to the incoming tenant for carrying out its fitting out works or double overheads or costs of any other description associated with moving to the Premises such as, without limitation, any rent free periods or other concession and incentives to cover fitting out costs, reinstatement costs, double overheads.
- i. Any renovation and/or improvement works of the Building which are currently being carried out have been completed.

(II) Second Disregarded Matters

- a. Any goodwill attached to the Premises by reason of any business carried on the Premises.
 - b. The Tenant's trade and/or business carried on the Premises.
 - c. Any effect on rent of the fact that the Tenant or the Tenant's sub-tenant is or has been in occupation of the Premises.
 - d. Any decrease in rental value of the Premises attributable to any temporary works, operations or other activities in, on or at any adjoining property or the Building or any part thereof.
 - e. Any obligation to reinstate the Premises at the expiry of the term.
 - f. Any abatement of rent under Section VII.
- (xi) If the Second Surveyor shall fail to determine the New Basic Rental 2 and give notice thereof within the time and in the manner hereinbefore provided or if he shall relinquish his appointment or die or if it shall become apparent that for any reason he will be unable to complete his duties hereunder, the Landlord or the Tenant may apply to the said Chairman or other person as hereinbefore provided for a substitute to be appointed in this place which procedure may be repeated as many times as necessary.
- (xii) The fees of the Second Surveyor shall be borne by the Tenant unless the New Basic Rental 2 determined by the Second Surveyor shall be less than that assessed by the Landlord in accordance with sub-clause (i) hereof in which case the expenses of the appointment of the Second



Surveyor shall be borne by the Landlord and the Tenant in equal shares and each party shall bear its own legal costs.

- (xiii) In the event that the open market rent has not been determined by the Second Surveyor prior to the Second Review Date, the rent payable immediately prior to the Second Review Date shall continue be paid until the open market rent has been so determined but shall be adjusted and accounted for retrospectively to the Second Review Date within 7 days of the open market rent being so determined.
- (xiv) The other charges for the Rent Review Period 2 shall be such sums as are equivalent to the charges payable immediately prior to the Second Review Date after adjustments having been made thereto to take account of any increase in the relative costs which shall then have occurred since commencement of the term granted by this Lease.
- (xv) The deposit payable for the Rent Review Period 2 shall be adjusted to take into account of and in proportion to the rent and the other charges determined as aforesaid.

(b) Turnover Rent

Table B

Annual Gross Sales (as defined in paragraph 2.1 of this Schedule)	Turnover Rent
If the Annual Gross Sales is at or below HK\$730,000,000.00	Nil
If the Annual Gross Sales is between HK\$730,000,000.01 and HK\$900,000,000.00	6.5% for the portion of the Annual Gross Sales exceeding HK\$730,000,000.00
If the Annual Gross Sales is between HK\$900,000,000.01 and HK\$1,000,000,000.00	6.5% for the portion of the Annual Gross Sales between HK\$730,000,000.00 and HK\$900,000,000.00; plus 7.0 % for the portion of the Annual Gross Sales exceeding HK\$900,000,000.00
If the Annual Gross Sales exceeds HK\$1,000,000,000.00	6.5% for the portion of the Annual Gross Sales between HK\$730,000,000.00 and HK\$900,000,000.00; plus 7.0 % for the portion of the Annual Gross Sales between HK\$900,000,000.01 and

	HK\$1,000,000,000.00; plus
	7.5% for the portion of the Annual Gross Sales exceeding HK\$1,000,000,000.00

1.2 The Tenant shall pay to the Landlord the monthly Basic Rental in advance and without any deductions including legal or equitable set-off whatsoever on the first day of each calendar month and the Turnover Rent (if any) within one calendar month after the expiry of each financial year of the Tenant during the said term Provided that the last Turnover Rent (if any) shall be paid to the Landlord within one calendar month after the expiry of the said term.

1.3 The Tenant shall provide the Landlord for verification with detailed statements of Gross Sales certified by a director of the Tenant to be true and correct for each calendar month or part of a calendar month within the first seven days of the immediate following calendar month. The statements so delivered shall be supported by such documents and records as the Landlord may reasonably require from time to time including, but not limited to, the daily turnover register and computer and other records showing various receipts.

1.4 The Tenant shall submit statements of total Gross Sales for each calendar month or part thereof audited by a firm of Certified Public Accountants to the Landlord within one calendar month after the end of each financial year of the Tenant during the said term Provided That the last of such audited statements shall be submitted to the Landlord within one calendar month after the expiry of the said term. The Tenant shall advise the Landlord in writing of its financial year end date and shall advise the Landlord from time to time in writing of any change of its financial year within 14 days from the resolution resolving such change during the said term.

1.5 The Landlord and its duly authorized agents or accountants, shall have access to the Tenant's books showing the total Gross Sales and other supporting documents for the purposes of verifying the Turnover Rent payable by the Tenant hereunder to the Landlord and the Tenant's audited statements for each calendar month or part thereof in each financial year of the Tenant during the said term and the Tenant shall afford the Landlord and its duly authorized agents or accountants such access at all reasonable times as and when so requested by the Landlord or its duly authorized agents or accountants.

1.6 In case of dispute the Turnover Rent shall be determined by a qualified accountant to be appointed by the Chairman for the time being of the Hong Kong Institute of Certified Public Accountants. The accountant so appointed shall act as an expert whose decision shall be final and binding upon both parties. The cost of the appointment of the accountant shall be borne and paid for by the Landlord and the Tenant in equal shares.

1.7 If the Tenant's audited statements as aforesaid, after verification and acceptance by the Landlord, reveal that the Turnover Rent of any calendar year or part thereof as calculated by reference to this Schedule and the said audited statements exceeds the Turnover Rent of that particular year actually received by the Landlord, the Tenant shall pay to the Landlord the amount so exceeded forthwith upon demand by the Landlord.

2. Gross Sales

2.1 "Gross Sales" means the aggregate of all sums of money (but excluding any rent or licence fee payable by any concessionaire or licensee of the Tenant except any rent or licence fee payable to the Tenant by its licensees for the installation on the Premises or any part thereof telecommunication equipment as mentioned in Clause 15 of Section XIII above) or other consideration received or receivable without any deduction whatsoever for all articles items or goods traded sold leased hired or otherwise disposed of (excluding those returned or refunded goods provided that the sale price of those returned or refunded goods have been included in the Gross Sales) and for all services sold or performed and for all facilities provided and from all trade or business of any nature whatsoever conducted operated at in from upon or through or otherwise deriving from or in respect of the Premises or any part of the Premises by the Tenant (as defined in paragraph 2.2 below). "Annual Gross Sales" means the aggregate Gross Sales for each financial year of the said term.

2.2 For the purposes of this paragraph 2 only the "Tenant" means the Tenant and any subtenant licensee or concessionaire of the Tenant and any other person in occupation of the Premises or any part thereof whether the occupation by any of these sub-tenant, licensee, concessionaire or other person is permitted under this Lease or otherwise.

For the avoidance of doubt, the Basic Rental and the Turnover Rent stated above or referred to elsewhere in this Lease shall be exclusive of rates, service charges, extra air-conditioning charges hereinafter mentioned, utility and other outgoings.

PART III - PARTICULARS OF OTHER CHARGES

- A.1. The service charges for the supply of air-conditioning to the Premises as provided in Section IV Clause 4(a)(i) and the provision of management services shall be HONG KONG DOLLARS ONE MILLION FOUR HUNDRED EIGHTEEN THOUSAND ONE HUNDRED ONE AND CENTS THIRTY ONLY (HK\$1,418,101.30) per calendar month subject to adjustments as mentioned in paragraph (3) hereunder.
2. The air-conditioning charges for the supply of extra air-conditioning to the Premises as provided in Section IV Clause 4(a)(ii) shall be HONG KONG DOLLARS ONE HUNDRED NINETY FOUR THOUSAND NINE HUNDRED AND THIRTY FIVE ONLY (HK\$194,935.00) per calendar month ("extra air-conditioning charges") Subject to adjustments as mentioned in paragraph (3) hereunder.
3. If at any time during the said term (i) the costs relative to the supply of air-conditioning (including, inter alia, the operating costs of the Landlord; the electricity charges imposed by CLP Holdings Limited; the costs of maintaining and/or replacing the air-conditioning system of the Landlord or any part thereof and the air-conditioning installations) shall have risen over the costs thereof prevailing at the commencement of the said term; or (ii) the operating costs relative to the provision of the management services (including, inter alia, the operating costs of the Landlord) shall have increased over the operating costs for the time being charged by the



Landlord, the Landlord shall in either cases be entitled to serve a notice in writing upon the Tenant increasing the service charges and/or the extra air-conditioning charges by an appropriate amount and thereafter such increased charges shall be payable in lieu of the charges provided for above. Further increases may be made after an earlier notice of increase shall have become operative. When any notice of increase shall be sent by the Landlord to the Tenant the notice shall be accompanied by an explanatory memorandum but the Landlord's assessment of the appropriate increase shall be conclusive.

4. All service charges and/or the extra air-conditioning charges shall be payable monthly in advance clear of all deductions including legal or equitable set-off by way of additional rent.



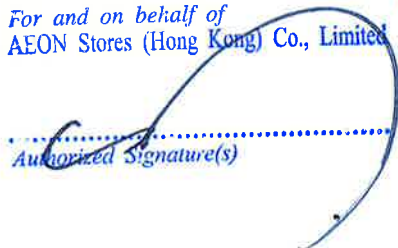
EXECUTED and DELIVERED as a DEED)
and SIGNED by ,)
director and ,)
director on behalf of the Landlord in the)
presence of :-)

SEALED with the Common Seal of)
the Tenant in the presence of :-)

For and on behalf of
AEON Stores (Hong Kong) Co., Limited

Authorized Signature(s)

Director
(Full Name: Mr. Takenori NAGASHIMA)

For and on behalf of
AEON Stores (Hong Kong) Co., Limited

Authorized Signature(s)

Director / Secretary
(Full Name: Mr. Shinya HISANAGA)

RECEIVED on or before the day and year)
first above written of and from the Tenant)
the sum of HONG KONG DOLLARS)
SIXTY ONE MILLION THREE HUNDRED)
EIGHT THOUSAND SIX HUNDRED)
SEVEN AND CENTS EIGHTY ONLY) HK\$61,308,607.80
being the cash deposit as abovementioned) =====

For and on behalf of
GLENFUIR INVESTMENTS LIMITED

.....
Director/Authorised Signature(s)

