

(1) ONE HERITAGE GROUP PLC

**(2) ONE HERITAGE PROPERTY
DEVELOPMENT LIMITED**

RELATIONSHIP AGREEMENT

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THIS DEED is dated

2022

BETWEEN

- (1) **ONE HERITAGE GROUP PLC** incorporated and registered in England and Wales with company number 12757649 whose registered office is at 80 Mosley Street, Manchester, United Kingdom, M2 3FX (the **Company**); and
- (2) **ONE HERITAGE PROPERTY DEVELOPMENT LIMITED** incorporated and registered in Hong Kong with company number 2749182 whose registered office is at Unit 3, 31/F, Office Tower Convention Plaza, No. 1 Harbour Road, Wan Chai, Hong Kong (the **Significant Shareholder**).

BACKGROUND

- (A) The Company's shares are admitted to the Official List of the FCA (by way of a standard listing under Chapter 14 of the listing rules published by the FCA under section 73A of FSMA as amended from time to time) and to trading on the London Stock Exchange's main market for listed securities.
- (B) As at the date of this deed, the Company has 32,428,333 fully paid Shares in issue and the Significant Shareholder is interested in 20,700,000 Shares, representing 63.8% of the issued share capital of the Company.
- (C) The parties have agreed to enter into this deed to manage the relationship between them to ensure that:
 - (i) the Company will at all times be capable of carrying on the Business independently of the Significant Shareholder and the members of the Shareholder Group; and
 - (ii) all transactions and arrangements between (i) the Company; and (ii) the Significant Shareholder and the members of the Shareholder Group, will be at arm's length and on normal commercial terms.

IT IS AGREED AS FOLLOWS: -

1. INTERPRETATION

1.1 The definitions and rules of interpretation in this clause 1 apply in this deed.

Act: Companies Act 2006.

Applicable Laws: the Act, FSMA, the Listing Rules, the Takeover Code, the Market Abuse Regulation (EU 596/2014) as it applies in the UK (UK MAR) and the QCA Code.

Articles: the articles of association of the Company as amended from time to time.

Associate: in relation to any party:

- (a) any subsidiary or holding company of that party and each and any subsidiary of a holding company of that party; and
- (b) any person that Controls, is Controlled by or is under common Control with that party.

Board: the board of Directors from time to time.

Board Committee: a committee of the Board constituted from time to time.

Board Reserved Matter: a matter listed in the Schedule 1.

Business: the business carried on by the Group, namely the development and re-development of new and existing buildings to create self-contained residential apartments, the refurbishment

of existing residential properties to create co-living accommodation and the undertaking of letting and property facilities management services for these products.

Business Day: a day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which dealings in domestic securities may take place on, and with the authority of, the Exchange.

Conditions: has the meaning given in clause 2.1.

Confidential Information: has the meaning given in clause 5.4.

Control: with respect to any person, the direct or indirect power to:

- (c) direct or cause the direction of the management and policies of such person;
- (d) elect a majority of the directors, partners or other persons exercising similar authority in respect of such person; or
- (e) direct or cause the direction of a voting interest of more than 30%,

Controls: Controlling and Controlled by shall be construed accordingly.

Director: a director of the Company from time to time.

Exchange: London Stock Exchange plc.

FCA: Financial Conduct Authority.

FSMA: the Financial Services and Markets Act 2000.

Group: the Company and its subsidiaries from time to time. Each company in the Group is a member of the Group.

holding company: has the meaning given in clause 1.10.

Independent Director: a director who is at the relevant time considered by the Board to be independent, as determined by reference to the QCA Code.

interest: means an interest as interpreted in accordance with sections 820 to 824 of the Act (inclusive) and interested: shall be construed accordingly.

Listing Rules: the listing rules published by the FCA under section 73A of FSMA as amended from time to time.

LSE: London Stock Exchange plc.

Nominated Director: any Director nominated by the Significant Shareholder under clause 4 and appointed to the Board from time to time.

Official List: the Official List of the FCA.

QCA Code: the Corporate Governance Code published by the Quoted Companies Alliance.

Representatives: has the meaning given in clause 5.4.

Shareholder: a holder of Shares.

Shares: the ordinary shares in the capital of the Company from time to time.

Shareholder Group: the Associates of the Significant Shareholder from time to time but excluding any member of the Group and member of the Shareholder Group shall be construed accordingly.

Standard List: a standard listing under Chapter 14 of the listing rules published by the FCA under section 73A of FSMA as amended from time to time.

subsidiary: has the meaning given in clause 1.10.

subsidiary undertaking: has the meaning given in clause 1.12.

Takeover Code: the City Code on Takeovers and Mergers.

Takeover Panel: the Panel on Takeovers and Mergers.

Voting Rights: all rights and powers (including, without limitation, voting rights) attaching to the Shares in which the Significant Shareholder, any member of the Shareholder Group or any of them is interested from time to time.

- 1.2 Clause, Schedule and paragraph headings shall not affect the interpretation of this deed.
- 1.3 References to clauses and the Schedule are to the clauses and Schedule of this deed and references to paragraphs are to paragraphs of the Schedule.
- 1.4 The Schedule forms part of this deed and shall have effect as if set out in full in the body of this deed. Any reference to this deed includes the Schedule.
- 1.5 A reference to **this deed** or to any other agreement or document referred to in this deed is a reference to this deed or such other agreement or document as varied or novated in accordance with its terms from time to time.
- 1.6 Unless the context otherwise requires, words in the singular shall include the plural and in the plural shall include the singular.
- 1.7 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.8 A **person** includes a natural person, corporate or unincorporated body (whether or not having separate legal personality).
- 1.9 A reference to a **company** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.10 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act. For the purposes only of the membership requirement contained in section 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
 - 1.10.1 another person (or its nominee) by way of security or in connection with the taking of security; or
 - 1.10.2 its nominee.
- 1.11 For the purposes of clause 1.10, in the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Act shall be amended so that:
 - 1.11.1 references in section 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and

- 1.11.2 the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.
- 1.12 A reference to a **subsidiary undertaking** means a subsidiary undertaking as defined in section 1162 of the Act.
- 1.13 A reference to **writing** or **written** includes email.
- 1.14 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.15 A reference to a statute, statutory provision, code, regulation or rule (including, without limitation, each of the Applicable Laws) is a reference to it as amended, extended, consolidated, replaced or re-enacted from time to time.
- 1.16 A reference to a legislative or regulatory provision, rule or code shall include all subordinate legislation, regulations, rules and codes made from time to time under that provision, rule or code.
- 1.17 Any reference to an English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court, official or any legal concept or thing shall, in respect of any jurisdiction other than England, be deemed to include a reference to that which most nearly approximates to the English legal term in that jurisdiction.
- 1.18 Any obligation on a party not to do something includes an obligation not to allow that thing to be done.

2. **DURATION**

- 2.1 This deed shall come into force on date hereof and shall continue in full force and effect for so long as:
- 2.1.1 the Shares are admitted to trading on the Official List of the FCA (by way of a Standard Listing) and to trading on the LSE's main market for listed securities (including for the purposes of this clause 2.1.1, any period of suspension of trading); and
- 2.1.2 the Significant Shareholder individually or together with the Shareholder Group is interested in Voting Rights representing 20% or more of the rights to vote at a general meeting of the Company attaching to Shares,
- (together, the **Conditions**).
- 2.2 If any of the Conditions ceases to be satisfied, this deed shall automatically terminate with immediate effect.
- 2.3 Termination of this deed shall not affect any rights, remedies, obligations or liabilities of the parties that have accrued up to the date of termination, including the right to claim damages in respect of any breach of the deed which existed at or before the date of termination.
- 2.4 On termination of this deed, clause 1 and clause 5 to clause 20 (inclusive) shall continue in force.

3. **SIGNIFICANT SHAREHOLDER UNDERTAKINGS**

- 3.1 The Significant Shareholder undertakes to each of the Company that it shall exercise its Voting Rights and shall procure (so far as it is properly able to do so) that each member of the Shareholder Group shall exercise their respective Voting Rights to procure (to the extent that they are able by the exercise of such rights to procure) that:

- 3.1.1 the Group and the Business shall be managed for the benefit of the Shareholders as a whole and independently of the Significant Shareholder and any member of the Shareholder Group;
 - 3.1.2 all transactions, agreements and arrangements between:
 - 3.1.2.1 any member of the Group; and
 - 3.1.2.2 the Significant Shareholder and any member of the Shareholder Group, shall be on an arm's length basis and on normal commercial terms;
 - 3.1.3 the Board shall at all times include at least two Independent Directors;
 - 3.1.4 if an Independent Director ceases to be either an Independent Director or a Director, one or more new Independent Directors will be appointed to the Board as shall be necessary to ensure compliance with clause 3.1.3.
 - 3.1.5 the remuneration committee, nomination committee and audit and risk committee established by the Board from time to time and any other corporate governance Board Committee shall be comprised of at least two Independent Directors;
 - 3.1.6 the quorum for any meeting of the Board or a Board Committee to consider a Board Reserved Matter shall be two Independent Directors;
 - 3.1.7 the Nominated Director shall not be permitted to vote on any resolution of the Board or a Board Committee in respect of a Board Reserved Matter;
 - 3.1.8 subject to the Applicable Laws and the provisions of this deed, the Company shall be managed in accordance with the QCA Code or any other corporate governance regime adopted by the Board from time to time; and
 - 3.1.9 the provisions of this deed are properly and promptly observed and given full force and effect according to the spirit and intention of this deed.
- 3.2 The Significant Shareholder undertakes to each of the Company and the Nomad that it shall not and shall procure (so far as it is properly able to do so) that no member of the Shareholder Group shall:
- 3.2.1 influence or seek to influence the running of the Company or any member of the Group at an operational level;
 - 3.2.2 subject to clause 3.2.1, take any action that would have the effect of preventing or might reasonably be expected to prevent any member of the Group from complying with its obligations under any of the Applicable Laws including, without limitation, Listing Rules 9 and 14 in relation to related party transactions;
 - 3.2.3 exercise its Voting Rights in respect of any resolution relating to a transaction, agreement or arrangement with or relating to the Significant Shareholder or any member of the Shareholder Group;
 - 3.2.4 exercise its Voting Rights in respect of any resolution to cancel the Company's Standard Listing other than:
 - 3.2.4.1 with the consent of the Independent Directors; or
 - 3.2.4.2 in connection with an offer for the entire issued share capital of the Company made by a person other than the Significant Shareholder or any member of the Shareholder Group; or

3.2.4.3 where the Shares are already or will be admitted to trading on an EU regulated market.

3.2.5 exercise its Voting Rights to procure or seek to procure any amendment to the Articles which would be inconsistent with the provisions of this deed.

4. **NOMINATED DIRECTOR**

4.1 For so long as the Significant Shareholder individually or together with the members of the Shareholder Group is interested in Voting Rights representing more than 20% of the rights to vote at a general meeting of the Company attaching to Shares, it shall, subject to this clause 4, be entitled to nominate one Director (a **Nominated Director**) for appointment to the Board. Any such nomination shall be made by giving notice in writing to the Company (a **Director Nomination Notice**).

4.2 The Significant Shareholder may require the removal of a Nominated Director by giving notice in writing to the Company and the Director being removed (a **Director Removal Notice**). The Significant Shareholder shall indemnify and keep indemnified the Company against any claim connected with the removal of a Nominated Director from office.

4.3 The Significant Shareholder shall consult with the Company before issuing a Director Nomination Notice or a Director Removal Notice.

4.4 Following receipt of a Director Nomination Notice or a Director Removal Notice, the Company shall seek to procure such appointment or removal of the Nominated Director in accordance with and subject to the Articles and Applicable Laws.

5. **CONFIDENTIALITY**

5.1 Each party undertakes that it shall not, at any time, disclose to any person any Confidential Information, except as permitted by clause 5.2.

5.2 Each party may disclose another party's Confidential Information:

5.2.1 to its Representatives who reasonably require such disclosure. Each party shall procure that its Representatives to whom it discloses another party's Confidential Information understand the confidential nature of the Confidential Information and comply with this clause 5;

5.2.2 in compliance with any law, regulation or the rules of a governmental or regulatory authority or any relevant tax or value added tax authority or stock exchange (including, without limitation, the Exchange, the Financial Conduct Authority and the Takeover Panel); and

5.2.3 in connection with any legal, governmental or regulatory proceedings.

5.3 Subject to the exceptions in clause 5.2, no party shall use or disclose another party's Confidential Information for any purpose other than to perform its obligations under this deed.

5.4 For the purposes of this clause 5, **Confidential Information** means all confidential information (however recorded or preserved) disclosed by a party or its employees, officers, representatives or advisers (together its **Representatives**) to any other party and that party's Representatives whether before or after the date of this deed, concerning any information that would be regarded as confidential by a reasonable business person relating to:

5.4.1 the business, affairs, customers, clients, suppliers, or plans, intentions, or market opportunities of the disclosing party (or of any Associate of the disclosing party); and

5.4.2 the operations, processes, product information, know-how, designs, trade secrets or software of the disclosing party (or of any Associate of the disclosing party).

- 5.5 The provisions of this clause 5 shall not apply to any Confidential Information that:
- 5.5.1 is or becomes generally available to the public (other than as a result of its disclosure by the receiving party or any of its Representatives in breach of this deed);
 - 5.5.2 was available to the receiving party on a non-confidential basis before disclosure by the disclosing party;
 - 5.5.3 was, is or becomes available to the receiving party on a non-confidential basis from a person who, to the receiving party's knowledge, is not bound by a confidentiality agreement with the disclosing party or otherwise prohibited from disclosing the information to the receiving party; or
 - 5.5.4 the parties agree in writing is not confidential or may be disclosed.

6. STATUS OF THE DEED

- 6.1 If there is any inconsistency between any of the provisions of this deed and the Articles, the provisions of this deed shall prevail as between the parties to the extent permitted by law and regulation.
- 6.2 For the avoidance of doubt, the obligations of each of the parties under this deed shall be subject to all applicable legal and regulatory requirements including, without limitation, the Applicable Laws and no party shall be required to breach any such law, regulation, rule or code.
- 6.3 Nothing in this deed shall prevent the Significant Shareholder or any member of the Shareholder Group from exercising its Voting Rights as they, in their discretion, see fit except where to do so would result in a breach of this deed.

7. FURTHER ASSURANCE

The Significant Shareholder shall (at its own expense) promptly execute and deliver such documents and perform such acts as the Company may reasonably require from time to time for the purpose of giving full effect to this deed.

8. ASSIGNMENT

This deed is personal to the parties and no party shall assign, transfer, mortgage, charge, subcontract, declare a trust over or deal in any other manner with any of its rights and obligations under this deed.

9. ENTIRE AGREEMENT

This deed and the Articles constitute the entire agreement between the parties and supersede and extinguish all previous agreements, promises, assurances, warranties, representations and understandings between them, whether written or oral, relating to their subject matter.

10. COUNTERPARTS

- 10.1 This deed may be executed in any number of counterparts, each of which when executed and delivered shall constitute a duplicate original, but all the counterparts shall together constitute the one deed.
- 10.2 Transmission of an executed counterpart of this deed (but for the avoidance of doubt not just a signature page) by (a) fax or (b) e-mail (in PDF, JPEG or other agreed format) shall take effect as delivery of an executed counterpart of this deed. If either method of delivery is adopted, without prejudice to the validity of the deed thus made, each party shall provide the other parties with the original of such counterpart as soon as reasonably possible thereafter.
- 10.3 No counterpart shall be effective until each party has executed and delivered at least one counterpart.

11. VARIATION AND WAIVER

- 11.1 No variation of this deed shall be effective unless it is made by deed and signed and delivered by the parties (or their authorised representatives).
- 11.2 A waiver of any right or remedy under this deed or by law is only effective if it is given in writing and shall not be deemed a waiver of any subsequent right or remedy.
- 11.3 A failure or delay by a party to exercise any right or remedy provided under this deed or by law shall not constitute a waiver of that or any other right or remedy, nor shall it prevent or restrict any further exercise of that or any other right or remedy.
- 11.4 No single or partial exercise of such right or remedy provided under this deed or by law shall prevent or restrict any further exercise of that or any other right or remedy.

12. COSTS

Except as expressly provided in this deed, each party shall pay its own costs incurred in connection with the negotiation, preparation and execution of this deed.

13. NO PARTNERSHIP OR AGENCY

- 13.1 Nothing in this deed is intended to, or shall be deemed to, establish any partnership between the parties or constitute any party the agent of another party.
- 13.2 Each party confirms it is acting on its own behalf and not for the benefit of any other person.

14. NOTICES AND CONSENTS

- 14.1 For the purposes of this clause 14, but subject to clause 14.7, notice includes any other communication and consent made or given by or to a party under or in connection with this deed.
- 14.2 A notice given to a party under or in connection with this deed:
 - 14.2.1 shall be in writing and in English;
 - 14.2.2 shall be signed by or on behalf of the party giving it;
 - 14.2.3 shall be sent to the relevant party for the attention of the contact and to the address specified in clause 14.3, or such other address as that party may notify to the other parties in accordance with the provisions of this clause 14.4;
 - 14.2.4 shall be:
 - 14.2.4.1 delivered by hand;
 - 14.2.4.2 sent by pre-paid first class post or special delivery; or
 - 14.2.4.3 sent by pre-paid airmail or by reputable international overnight courier (if the notice is to be served by post to an address outside the country from which it is sent); and
 - 14.2.5 unless proved otherwise is deemed received as set out in clause 14.5.
- 14.3 The addresses for services of notices are:
 - 14.3.1 Company
 - 14.3.1.1 Address: 80 Mosley Street, Manchester, United Kingdom, M2 3FX

- 14.3.1.2 For the attention of: Jason Upton, Director
- 14.3.2 Significant Shareholder
 - 14.3.2.1 Address: Unit 3, 31/F, Office Tower Convention Plaza, No. 1 Harbour Road, Wan Chai, Hong Kong
 - 14.3.2.2 For the attention of: Yiu Tak (Peter) Cheung
- 14.4 A party may change its details for service of notices as specified in clause 14.3 by giving notice to the other parties. Any change notified under this clause 17.4 shall take effect at 9.00 am (UK time) on the later of:
 - 14.4.1 the date (if any) specified in the notice as the effective date for the change; or
 - 14.4.2 five Business Days after deemed receipt of the notice of change.
- 14.5 This clause 17.5 sets out the delivery methods for sending a notice to a party under this agreement and, for each delivery method, the date and time when the notice is deemed to have been received (provided that all other requirements of this clause have been satisfied and subject to the provisions in clause 14.6):
 - 14.5.1 if delivered by hand, on signature of a delivery receipt or at a time the notice is left at the address;
 - 14.5.2 if sent by pre-paid first class post or other next working day delivery services providing proof of postage at 9.00 am (UK time) on the second Business Day after posting; or
 - 14.5.3 if sent by pre-paid airmail providing proof of postage, at 9.00 am (UK time) on the fifth Business Day after posting.
- 14.6 If deemed receipt under clause 14.5 would occur outside business hours in the place of receipt, it shall be deferred until business hours resumes. In this clause 17.6, business hours means 9.00 am to 5.00 pm (local time) Monday to Friday on a day that is not a public holiday in the place of receipt.
- 14.7 This clause 14 does not apply to the service of any proceedings or other documents in any legal action or, where applicable, any arbitration or other method of dispute resolution.
- 14.8 A notice given under or in connection with this deed is not valid if sent by email.
- 15. **SEVERANCE**
 - 15.1 If any provision or part-provision of this deed is or becomes invalid, illegal or unenforceable, it shall be deemed deleted, but that shall not affect the validity and enforceability of the rest of this deed.
 - 15.2 If any provision or part-provision of this deed is deemed deleted under clause 15.1, the parties shall negotiate in good faith to agree a replacement provision that, to the greatest extent possible, achieves the intended commercial result of the original provision. Any such amendment will be made in accordance with clause 11.
- 16. **THIRD PARTY RIGHTS**

No one other than a party to this deed, shall have any right to enforce any of its terms.
- 17. **INADEQUACY OF DAMAGES**

Without prejudice to any other rights or remedies that the Company may have, the Significant Shareholder acknowledges and agrees that damages alone would not be an adequate remedy for any breach of the terms of clause 3 to clause 5 (inclusive) by the Significant Shareholder or

a member of the Shareholder Group. Accordingly, the Company shall be entitled to the remedies of injunction, specific performance or other equitable relief for any threatened or actual breach of the terms of clause 3 to clause 5 (inclusive) of this deed.

18. RIGHTS AND REMEDIES

Except as expressly provided in this deed, the rights and remedies provided under this deed are in addition to, and not exclusive of, any rights or remedies provided by law.

19. GOVERNING LAW

This deed and any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with it or its subject matter or formation shall be governed by and construed in accordance with the law of England and Wales.

20. JURISDICTION

Each party irrevocably agrees that the courts of England and Wales shall have exclusive jurisdiction to settle any dispute or claim (including non-contractual disputes or claims) arising out of or in connection with this deed or its subject matter or formation.

This deed has been entered into on the date stated at the beginning of it.

**SCHEDULE 1
BOARD RESERVED MATTERS**

1. AGREEMENTS AND ARRANGEMENTS

- 1.1 Any variation, amendment or novation of any agreement or arrangement with the Significant Shareholder or any member of the Shareholder Group, including, without limitation, this deed.
- 1.2 Any decision as to whether to enforce any agreement or arrangement with the Significant Shareholder or any member of the Shareholder Group, including, without limitation, this deed.
- 1.3 Without prejudice to paragraph 1.1 and paragraph 1.2, the issue of a consent by the Company in accordance with clause **Error! Reference source not found.**

2. CORPORATE GOVERNANCE

- 2.1 The adoption, amendment, replacement or abandonment of the corporate governance regime adopted by the Company from time to time.
- 2.2 The adoption, amendment, replacement or abandonment of the terms of reference for any Board Committee.

3. DIRECTORS

- 3.1 The appointment or removal of an Independent Director.
- 3.2 Any recommendation given by the Board relating to the appointment or removal of an Independent Director.

4. ADVISERS

- 4.1 The appointment or dismissal of the auditors to the Group.