

DATED THE 9 JULY 2026

(1) HONG KONG ENTERTAINMENT INTERNATIONAL HOLDINGS LIMITED
(as the “Company”)

AND

(2) SUNCORP SECURITIES LIMITED
(as the “Placing Agent”)

THE PLACING AGREEMENT
in relation to the placing of Unsubscribed Rights Shares and ES Unsold Rights Shares

THIS PLACING AGREEMENT is made on the 9 July 2026.

BETWEEN:

- (1) **HONG KONG ENTERTAINMENT INTERNATIONAL HOLDINGS LIMITED**, a company incorporated in the Cayman Islands and having its registered office at 18/F, V. Heun Building, 138 Queen's Road Central, Central, Hong Kong and its principal place of business in Hong Kong (the “**Company**”); and
- (2) **SUNCORP SECURITIES LIMITED**, a company incorporated in Hong Kong with limited liability and having its registered office and principal place of business at Unit 2305, 23/F, The Center, 99 Queen's Road Central, Hong Kong and a licensed corporation for carrying out Type 1 (Dealing in Securities) regulated activities under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) (“**Placing Agent**”).

WHEREAS:

- (A) As at the date hereof, the authorised share capital of the Company is HK\$100,000,000 divided into 16,666,666,666 Existing Shares of par value HK\$0.006 each. Existing Shares have been issued and are fully paid or credited as fully paid.
- (B) The Company proposes to raise gross proceeds of up to approximately HK\$32 million (assuming full subscription under the Rights Issue and no change in the number of Existing Shares on or before the Record Date) by issuing up to 159,999,999 Rights Shares at the Subscription Price of HK\$0.20 per Rights Share on the basis of three (3) Rights Share for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date.
- (C) Application shall be made by the Company to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms.

IT IS HEREBY AGREED as follows:

1. DEFINITION

- 1.1 In this Agreement including the Recitals, unless the context otherwise requires, the following expressions have the following meanings:

“associate(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Board”	The board of Directors

“Business Day”	a day (excluding Saturday and Sunday and any day on which “extreme conditions” caused by super typhoons is announced by the Government of Hong Kong or a tropical cyclone warning signal no. 8 or above is hoisted or remains hoisted between 9:00 a.m. and 12:00 noon and is not lowered at or before 12:00 noon or on which a “black” rainstorm warning is hoisted or remains in effect between 9:00 a.m. and 12:00 noon and is not discontinued at or before 12:00 noon) on which licensed banks in Hong Kong are open for general business
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited on 28 December 2017
“CCASS Operational Procedures”	the operational procedures of the HKSCC, containing the practices, procedures and administrative or other requirements relating to the operations and functions of CCASS, as from time to time in force
“Company”	Hong Kong Entertainment International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the Shares of which are listed on GEM of the Stock Exchange (Stock Code: 8291)
“Company (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance, Chapter 32 of the Laws of Hong Kong
“Compensatory Arrangements”	placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by the Placing Agent on a best effort basis pursuant to the Placing Agreement in accordance with Rule 10.31(1)(b) of the GEM Listing Rules
“Connected person(s)”	has the meaning ascribed to it under the GEM Listing Rules
“controlling shareholder(s)”	has the meaning ascribed to it under the GEM Listing Rules
“Director(s)”	the director(s) of the Company

“EGM”	an extraordinary general meeting of the Company to be held and convened to consider and approve the Rights Issue, and the transactions contemplated thereunder
“ES Unsold Rights Share(s)”	the Rights Share(s) which would otherwise has/have been provisionally allotted to the Excluded Shareholders (if any) in nil-paid form that has/have not been sold by the Company
“Excluded Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiries, consider it necessary, or expedient not to offer the Rights Shares to such Shareholder(s) on account either of legal restrictions under the laws of the relevant place or the requirements of the relevant regulatory body or stock exchange in that place
“Existing Share(s)/Share(s)”	the ordinary share(s) of HK\$0.006 each in the share capital of the Company
“GEM”	GEM of the Stock Exchange
“GEM Listing Committee”	has the same meaning ascribed to it under the GEM Listing Rules
“GEM Listing Rules”	The Rules Governing the Listing on GEM
“Group”	the Company and its subsidiaries
“HKSCC”	Hong Kong Securities Clearing Company Limited
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the PRC
“Independent Board Committee”	an independent board committee of the Company comprising all the independent non-executive Directors, which has been established under the GEM Listing Rules to advise the Independent Shareholders in respect of the Rights Issue
“Independent Financial Adviser” or “Vinco”	Vinco Financial Limited, a corporation licensed to

Financial”	carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser appointed and approved by the Independent Board Committee to advise the Independent Board Committee and the Independent Shareholders in respect of the terms of the Rights Issue and the Compensatory Arrangements, and as to voting action therefor
“Independent Shareholder(s)”	any Shareholder(s) who are not required to abstain from voting at the EGM under the GEM Listing Rules
“Independent Third Party(ies)”	person(s) who is(are) third party(ies) independent of the Company and connected persons of the Company
“Last Trading Day”	Friday, 10 July 2026, being the last trading day of the Shares on the Stock Exchange immediately before the release of this announcement
“Latest Placing Date”	Tuesday, 22 September 2026 or such later date as the Company and the Placing Agent may agree in writing, being the latest date for the Placing Agent to place the Unsubscribed Rights Shares and/ or the ES Unsold Rights Shares
“Latest Placing Time”	4:00 p.m. on the Latest Placing Date
“Latest Time for Acceptance”	4:00 p.m. on Thursday, 10 September 2026, being the latest time for acceptance of the offer of and payment for the Rights Shares.
“Long Stop Date”	22 September 2026 or such later date as may be agreed between the Placing Agent and the Company in writing
“Net Gain”	Any premiums paid by the placees over the Subscription Price for the Unsubscribed Rights Shares and the ES Unsold Rights Shares placed by the Placing Agent under the Compensatory Arrangements
“No Action Shareholder(s)”	Qualifying Shareholders who do not subscribe for the Rights Shares (whether partially or fully) under the PALs or their renounees, or such persons who hold any nil-paid rights at the time such nil-paid rights are lapsed, and/or the Excluded Shareholders

	(if any)
“Overseas Letter”	a letter from the Company to the Excluded Shareholders explaining the circumstances in which the Excluded Shareholders are not permitted to participate in the Rights Issue
“Overseas Shareholder(s)”	Shareholder(s) with registered address(es) (as shown on the register of members of the Company on the Record Date) which is(are) outside Hong Kong
“PALs”	the provisional allotment letters issued to the Qualifying Shareholders for the Rights Shares
“Placees”	any individuals, corporate, institutional investor(s) or other investor(s), who and whose ultimate beneficial owner(s) shall not be the Shareholder(s) and shall be the Independent Third Party(ies), procured by the Placing Agent and/or its sub-placing agent(s), who and whose ultimate beneficial owners shall not be the Shareholder(s) and shall be the Independent Third Party(ies), to subscribe for any of the Unsubscribed Rights Shares and the ES Unsold Rights Shares pursuant to the Placing Agreement
“Placing”	the offer by way of private placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by the Placing Agent and/or its sub-placing agents(s), who and whose ultimate beneficial owners shall not be the Shareholder(s) and shall be the Independent Third Party(ies), to the Placee(s) during the Placing Period on the terms and subject to the conditions set out in the Placing Agreement
“Placing Agent”	Suncorp Securities Limited, a licensed corporation to carry out Type 1 (dealing in securities) and Type 4 (advising on securities) regulated activities under the SFO, being the placing agent appointed by the Company to place any Unsubscribed Rights Shares and the ES Unsold Rights Shares under the Compensatory Arrangements in accordance with Rule 10.31(1)(b) of the GEM Listing Rules
“Placing Agreement”	the placing agreement dated 9 July 2026 and entered into between the Company and the Placing

	Agent in relation to the placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares to the Placee(s) on a best effort basis
“Placing Arrangement”	the placing arrangement for the Unsubscribed Rights Shares and the ES Unsold Rights Shares as described in the section headed “The Placing Agreement” in this announcement
“Placing Period”	a period commencing from the first Business Day after the date of announcement of the number of Unsubscribed Rights Shares and the ES Unsold Rights Shares, which is expected to be Thursday, 17 September 2026, and ending at the Latest Placing Time
“Placing Shares”	the Unsubscribed Rights Shares and the ES Unsold Rights Shares to be placed by the Placing Agent on a best effort basis pursuant to the terms and conditions of the Placing Agreement
“PRC”	the People’s Republic of China, and for the purpose of this announcement, excludes Hong Kong, the Macau Special Administrative Region of the PRC and Taiwan
“Prospectus”	the prospectus to be despatched to the Shareholders containing details of the Rights Issue
“Prospectus Documents”	the Prospectus and PAL
“Prospectus Posting Date”	Thursday, 27 August 2026 or such other date as the Company may determine, being the date on which the Prospectus Documents are posted to the Qualifying Shareholders and the Prospectus for information only to the Excluded Shareholders
“Qualifying Shareholder(s)”	Shareholder(s) whose name(s) appear(s) on the register of members of the Company on the Record Date, other than the Excluded Shareholder(s)
“Record Date”	Wednesday, 26 August 2026 or such other date as may be determined by the Company, being the date for determining entitlements of Shareholders to participate in the Rights Issue
“Registrar”	Tricor Investor Services Limited

“Rights Issue”	the proposed issue of the Rights Shares by way of rights on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date at the Subscription Price pursuant to the Prospectus Documents
“Rights Share(s)”	up to 159,999,999 new Shares to be allotted and issued by the Company to the Qualifying Shareholders pursuant to the Rights Issue, assuming no change in the number of Shares in issue on or before the Record Date and no exercise of the outstanding share options
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong)
“Shareholder(s)”	Holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Subscription Price”	HK\$0.20 per Rights Share
“Substantial Shareholder”	has the meaning ascribed to it under the GEM Listing Rules
“Takeovers Code”	The Hong Kong Code on Takeovers and Mergers
“Unsubscribed Rights Shares”	the Rights Share(s) that not subscribed by the Qualifying Shareholders or holders of nil-paid rights
“%”	per cent

- 1.2 Headings are for convenience only and shall not affect the definition of this Agreement.
- 1.3 Any document expressed to be “in the agreed form” means a document approved by the parties hereto and for the purpose of identification signed by or on behalf of the Company and the Placing Agent.
- 1.4 References to the singular number include the plural and vice versa and

references to one gender include every gender.

- 1.5 References to Clauses, Exhibits and Recitals are to clauses, exhibits and recitals to this Agreement.
- 1.6 References in this Agreement to time are to Hong Kong time.

2. PLACING OBLIGATIONS

- 2.1 Subject to the terms and conditions of this Agreement, the Company agrees to allot and issue the Placing Shares and the Placing Agent conditionally agrees as agent of the Company (either by itself or through its Sub-Placing Agents) to procure Placee(s) on a best efforts basis to subscribe for the Placing Shares at the Placing Price (together with all such brokerage, SFC transaction levy, AFRC transaction levy and Stock Exchange trading fee as may be payable by such Placee(s) in relation to each such Placing Share) on the terms and subject to the conditions set out in this Agreement. For the avoidance of doubt, the Placing Price shall exclude any brokerage commission, SFC transaction levy and Stock Exchange trading fee and stamp duty (if any).
- 2.2 The Company hereby appoints the Placing Agent as its agent to procure the Placee(s) on a best effort basis to subscribe for the Placing Shares on the terms and subject to the conditions set out in this Agreement. The Placing Agent confirmed that it is independent of and not connected with the Company and its connected person or any of their respective associates. Any transaction properly carried out by the Placing Agent pursuant to this Agreement shall constitute a transaction carried out by the Placing Agent at the request of the Company and as its agent and not on account of or for the Placing Agent. The Placing Agent shall not be responsible for any loss or damage to the Company arising from any such transaction.
- 2.3 The Company hereby confirms that the appointment pursuant to this Agreement confers on the Placing Agent in accordance with the provisions hereof all powers, authorities and discretions on its behalf which are necessary for, or incidental to, the Placing and hereby agrees to ratify and confirm everything which the Placing Agent shall lawfully and reasonably do or have done on its behalf in relation to the Placing pursuant to or in anticipation of the terms of this Agreement.
- 2.4 The Placing Shares shall be offered by the Placing Agent as agent for the Company during the Placing Period to Placee(s) who, and whose ultimate beneficial owners, shall be third parties independent of the Company and its connected persons (as defined in the GEM Listing Rules) and none of the Placees shall be a party acting in concert (as defined in the Takeovers Code) with any of them or other Placees and no Placee shall become a substantial shareholder of the Company.
- 2.5 The Company shall allot and issue the Placing Shares subject to the Memorandum and Articles of Association pursuant to the Placing free and clear

from all liens, charges, security interests, encumbrances and adverse claims together with all rights attaching thereto on and after the date of their allotment including the rights to receive all future dividends or payable or distributions thereafter declared, made or paid on the Shares.

2.6 The Placing Agent hereby warrants and undertakes to the Company that:

- (a) the Placing will be a private placement of securities and not an offer to the public within the meaning of the Companies Ordinance (Cap 32 Laws of Hong Kong) and will be effected by telephone conversations leading to concluded contracts without the dispatch of documents until after legally binding commitments to subscribe for Placing Shares have been obtained from each Placee;
- (b) it will ensure that the terms and conditions on which each Placee will subscribe for the Placing Shares, and the number of such Shares to be subscribed, are covered in precise terms and agreed with each Placee and to be in substantially the same form as the placing letter contained in the Schedule of this Agreement (amended as appropriate) and will not make any representation in connection with the Placing Shares other than contained in the Announcement or previously approved by the Company; and
- (c) it has not offered or sold and it shall not, directly or indirectly, offer or sell any Placing Shares or distribute or publish any documents in relation to the Placing in any country or in any jurisdiction other than Hong Kong except under circumstances that shall result in compliance with any applicable laws and all offers and sales of Placing Shares shall be made on such terms.

2.7 The Placing Agent may, in its absolute discretion, appoint such other persons including any of its Affiliates to be Sub-Placing Agents on behalf of the Company for the purposes of arranging for the placing of the Placing Shares with selected Placee(s), with such authorities and rights as the Placing Agent has pursuant to its own appointment under Clause 2.2.

2.8 The Unsubscribed Rights Shares will be placed by the Placing Agent to Independent Third Party(ies) on a best effort basis for the benefits of the No Action Shareholders and Excluded Shareholders. If all or any of the Unsubscribed Rights Shares are successfully placed, any premium over the Subscription Price will be distributed to the relevant No Action Shareholders and Excluded Shareholders. Any Unsubscribed Rights Shares remaining after the Compensatory Arrangements will not be issued by the Company.

3. WARRANTIES & UNDERTAKINGS

3.1 In consideration of the Placing Agent entering into this Agreement and agreeing to perform its obligations hereunder, the Company hereby warrants and represents to and for the benefit of the Placing Agent as follows:

- (a) the information contained in the recitals to this Agreement is true and accurate and the Company has full power, authority and capacity to allot and issue the Placing Shares under its Memorandum and Articles of Association and the directors of the Company have full power and authority to effect such allotment;
- (b) all necessary consents and authorizations have been obtained to enable the Placing Shares to be allotted and issued;
- (c) the Company has full power and authority to enter into and perform this Agreement and it has corporate capacity to enter into and comply with its obligations hereunder and this Agreement has been duly authorized and executed by and constitutes legally binding obligations of the Company;
- (d) subject to any requirements of the Stock Exchange or SFC, as to which the Company and Placing Agent shall be entitled to satisfy itself that there is lawful authority therefore, none of the parties shall directly or indirectly, make any announcement or communication (other than the Announcement) in relation to this Agreement or any matter ancillary thereto without the prior written consent of the other party;
- (e) save as previously disclosed to the public in writing, there is no litigation, arbitration or other legal proceedings in progress or pending against any member of the Group which if decided adversely to the relevant member of the Group) would have or have had a material adverse effect on the financial position of the Group (taken as a whole) or the Company and which is material in the context of the Placing;
- (f) there has been no material adverse change in the financial position of the Company since 31 December 2025;
- (g) all statements of fact contained in the Announcement are true and accurate in all material respects and not misleading in the context of the Placing and all statements of opinion, intention or expectation of the directors of the Company in relation to any member of the Group contained therein are truly and honestly held and have been made after due and careful consideration and there is no other fact or matter omitted therefrom the omission of which would make any statement therein misleading or which is otherwise material in the context of the Placing;
- (h) save as previously disclosed to the public in writing, the Company is not in breach in any material respect in the context of the Placing of any rules, regulations or requirements of the Stock Exchange or any applicable law, decree, judgment, legislation, order, regulation, statute, ordinance, treaty or other legislative measure;
- (i) the audited consolidated balance sheet and profit and loss account of the Company for the financial year ended on 31 December 2025:

- (i) have been prepared on a consistent basis, save as disclosed therein, and in accordance with generally accepted accounting principles, in, and pursuant to the relevant laws of, Hong Kong; and;
- (ii) show a true and fair view of the state of affairs of the Group as at 31 December 2025 and of its results for the period in question;
- (j) save as previously disclosed to the public in writing, no member of the Group has entered into a material contract or commitment of an unusual or onerous nature which, in the context of the Placing might be material for disclosure except in the ordinary course of business and each such company has carried on its business in the ordinary and usual course;
- (k) the entire existing issued share capital of the Company is listed on the Stock Exchange and as at the date of this Agreement, the Company is not aware of any circumstances whereby such listing will be suspended, cancelled or revoked on or before completion of the Placing;
- (l) the Placing Shares shall rank pari passu in all respects inter se and with all other Shares then in issue;
- (m) the Company shall have sufficient authorized but unissued share capital on the date of completion of the Placing to issue and allot the Placing Shares.

3.2 The Company shall not, and shall procure that no member of the Group shall at any time prior to or on the Long Stop Day, do or omit to do anything which may cause any of the representations, warranties and undertakings set out in Clause 3.1 to be untrue.

3.3 The Placing Agent represents, warrants and undertakes to the Company that:

- (a) it has the power and authority to enter into and perform this Agreement and that this Agreement has been duly authorised and executed by it and constitutes legally, valid and binding obligations of it and in entering into this Agreement it does not do so in breach of any existing obligation or applicable legislation;
- (b) it shall at all times comply with all rules, regulations and guidelines applicable to the Placing of the Stock Exchange and codes of the SFC in relation to its role as placing agent for the Placing, and, if required, will issue appropriate written confirmation of such fulfillment and compliance; and
- (c) it shall make available and promptly supply, or procure the relevant Placee(s) to make available and promptly supply, all such information to the Stock Exchange and SFC about the Placee(s) as the Stock Exchange

or SFC may require for the purpose of or in connection with the Listing Rules and other relevant regulations.

- 3.4 The foregoing representations, warranties and undertakings shall be deemed to be given as at the date hereof and shall remain in full force and effect notwithstanding the allotment and issue of the Placing Shares to the Placee(s) on the date of completion of the Placing as if given or made on such date, with reference in each case to the facts and circumstances then subsisting. Each party hereto hereby undertakes to notify the other parties to this Agreement of any matter or event coming to its attention prior to the Long Stop Day which shows or may show any of the representations, warranties and undertakings to be or to have been untrue, inaccurate or misleading.

4. CONDITIONS PRECEDENT

- 4.1 The obligations of the Placing Agent hereunder are conditional upon the following conditions being fulfilled:

- (i) the GEM Listing Committee of the Stock Exchange having granted the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully paid forms (subject to customary conditions) and such approval not having been withdrawn or revoked;
- (ii) the passing of all necessary resolutions to be proposed at the EGM to be convened to consider and, approve, among others, the Rights Issue and the transactions contemplated thereunder;
- (iii) all necessary consents and approvals to be obtained on the part of the Placing Agent and the Company in respect of this Agreement and the transactions contemplated thereunder having been obtained;
- (iv) none of the representations, warranties or undertakings contained in this Agreement being or having become untrue, inaccurate or misleading in any material respect at any time before the completion, and no fact or circumstance having arisen and nothing having been done or omitted to be done which would render any of such undertakings, representations or warranties untrue or inaccurate in any material respect as if it were repeated as at the time of the completion; and
- (v) this Agreement not having been terminated in accordance with the provisions hereof.

None of the above conditions can be waived. In the event that the above condition precedents have not been fulfilled on or before the Latest Time for Termination, all rights, obligations and liabilities of the parties hereunder in relation to the Placing shall cease and determine and none of the parties shall have any claim against the other in respect of the Placing save for any antecedent breach and/or any rights or obligations which may accrue under this Agreement prior to such termination.

5. **PLACING COMPLETION**

Completion is expected to take place within six Business Days after publication of an announcement by the Company of the number of the Unsubscribed Rights Shares and the ES Unsold Rights Shares under the Compensatory Arrangements and upon fulfilment or waiver (as the case may be) of the conditions precedent to the Placing Agreement or such other date as the Company and the Placing Agent may agree in writing.

The Company shall use its best endeavours to procure the fulfilment of such conditions precedent to the Placing Agreement by the Latest Time for Termination. If any of the conditions precedent to the Placing Agreement have not been fulfilled by the Latest Time for Termination or become incapable of being fulfilled (subject to the Placing Agent not exercising its rights to waiver or extend the time for fulfilment of such conditions), then the Placing will lapse and all rights, obligations, liabilities of the Company and the Placing Agent in relation to the Placing shall cease and determine, save in respect of any accrued rights or obligations under the Placing Agreement or antecedent breach thereof.

6. **TERMINATION**

The Placing Period shall end on 22 September 2026 or any other date by mutual agreement between the Placing Agent and the Company.

The engagement of the Placing Agent may also be terminated by Placing Agent in case of force majeure resulting in the Company and the Placing Agent being unable to fulfill its duties and responsibilities under the engagement. However, if during the course of the engagement it has come to the Placing Agent's knowledge that there is any material adverse change in the business and operational environment in the Company which, in the sole opinion of the Placing Agent, may make it inadvisable to continue the engagement, the Placing Agent shall have the right to terminate the engagement by written notice to the Company with immediate effect.

7. **THE ANNOUNCEMENT**

The Company hereby authorises to release or cause to be released for publication, as soon as possible upon the execution of this Agreement, copies of the Announcement as required by law or by the Stock Exchange or the SFC.

8. **INDEMNITY**

The Company undertakes to indemnify the Placing Agent, against all or any costs, expenses (including reasonable legal fees as they are incurred), fees, claims, actions, liabilities, demands, proceedings or judgments (including, but not limited to, all such losses, costs, charges or expenses suffered or incurred in disputing or defending any proceedings and/or in establishing its rights to be indemnified pursuant to this Clause and/or in seeking advice in relation to any

proceedings) brought or established against either of the Placing Agent or by any governmental agency, regulatory body or other person:

- (i) arising out of or in connection with any breach of any of the warranties and representations contained in [Clause 3.1, 3.2 or 3.3]; or
- (ii) which are directly occasioned by or resulting from or are attributable to the performance by the Placing Agent of its obligations under this Agreement and which does not in any such case arise from the negligence, breach of this Agreement, fraud or willful default of the Placing Agent.

The foregoing indemnity shall remain in full force and effect notwithstanding completion of the Placing.

9. COMMISSION & EXPENSES

9.1 Subject to completion of this Agreement, the Company shall, on the date of completion of the Placing, pay to the Placing Agent in respect of the Placing, a placing commission, in Hong Kong dollars, of three (3) per cent of the amount which is equal to the Placing Price multiplied by the Unsubscribed Rights Shares and ES Unsold Rights Shares that have been successfully placed by the Placing Agent pursuant to the terms of this Agreement which the Placing Agent is hereby authorized to deduct from the payment to be made by it to the Company at the completion of the Placing pursuant to [Clause 5.2].

9.2 The Company will be responsible for and pay all costs and expenses (except those stated in this Agreement to be payable by the Placee(s) in connection with the Placing, including but not limited to:

- (a) legal expenses and disbursements payable to the legal advisers of the Company and/or the Placing Agent (if any);
- (b) the preparation and release of the Announcement;
- (c) the allotment and issue of all the Placing Shares to be allotted and issued under this Agreement and registration of the subscribers therefor (including capital duty (if any), SFC transaction levy, Stock Exchange trading fees and the fee of the Company's registrars),

which amounts the Placing Agent is hereby authorized to deduct from the payments to be made by it to the Company pursuant to [Clause 5.2] as applicable for the purposes of paying on the Company's behalf such costs, charges, fees and expenses PROVIDED THAT the Placing Agent shall seek the consent of the Company before any of such costs, charges, fees and expenses with an amount of exceeding HK\$980,000 in aggregate is to be incurred.

- 9.3 Payment of the amounts referred to in [Clause 9.2] shall be made by the Company whether or not the Company's obligations under this Agreement are terminated pursuant to [Clause 10] to the extent that the same have been incurred prior to termination or are incurred in consequence of termination.

10. RESCISSION

Notwithstanding anything contained in this Agreement, the Placing Agent may terminate this Agreement without any liability to the Company, by notice in writing given to the Company at any time prior to the Latest Time for Termination upon the occurrence of the following events which, in the reasonable opinion of the Placing Agent, has or may have a material adverse effect on the business or financial conditions or prospects of the Company or the Group taken as a whole or would materially prejudice the success of the Placing or full placement of all of the Unsubscribed Rights Shares and the ES Unsold Rights Shares or otherwise make it inappropriate, inadvisable or inexpedient to proceed with the Placing on the terms and in the manner contemplated in this Agreement if there develops, occurs or comes into force::

- (a) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events, developments or changes occurring or continuing before, on and/or after the date hereof) and including an event or change in relation to or a development of an existing state of affairs of a political, military, industrial, financial, economic, fiscal, regulatory or other nature, resulting in a change in, or may result in a change in, political, economic, fiscal, financial, regulatory or stock market conditions and which in the Placing Agent's reasonable opinion would affect the success of the Placing; or
- (b) the imposition of any moratorium, suspension (for more than 7 trading days) or restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise and which in the Placing Agent's reasonable opinion, would affect the success of the Placing; or
- (c) any new law or regulation or change in existing laws or regulations or any change in the interpretation or application thereof by any court or other competent authority in Hong Kong or any other jurisdiction relevant to the Group and if in the Placing Agent's reasonable opinion any such new law or change may affect the business or financial prospects of the Group and/or the success of the Placing; or
- (d) any litigation or claim being instigated against any member of the Group or its senior management, which has or may affect the business or financial position of the Group and which in the Placing Agent's reasonable opinion would affect the success of the Placing; or
- (e) any breach of any of the representations and warranties set out in this Agreement comes to the knowledge of the Placing Agent or any event

occurs or any matter arises on or after the date hereof and prior to the completion which if it had occurred or arisen before the date hereof would have rendered any of such representations and warranties untrue or incorrect in a material respect or there has been a material breach by the Company of any other provision of this Agreement; or

- (f) there is any material change (whether or not forming part of a series of changes) in market conditions which in the absolute opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed.

11. MISCELLANEOUS

- 11.1 Time shall be of the essence of this Agreement.
- 11.2 This Agreement shall be binding on and ensure for the benefit of the successors of each of the parties and shall not be assignable by any party except with consent of all other parties.
- 11.3 This Agreement constitutes the entire agreement between the parties with respect to its subject matter (neither party having relied on any representation or warranty made by the other which is not contained in this Agreement) and no variation of this Agreement shall be effective unless made in writing and signed by all of the parties.
- 11.4 This Agreement supersedes all and any previous agreements, arrangements or understanding between the parties relating to the matters referred to in this Agreement and all such previous agreements, understanding or arrangements (if any) shall cease and determine with effect from the date hereof.
- 11.5 If at any time any provision of this Agreement is or becomes illegal, invalid or unenforceable in any respect such relevant provision shall to the fullest extent permitted by law be deemed to be deleted from this Agreement and the legality, validity and enforceability of any other provisions of this Agreement shall not be affected or impaired thereby.
- 11.6 This Agreement may be executed in two or more counterparts each of which shall be binding on the parties hereto and shall together constitute one agreement.
- 11.7 All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding completion of this Agreement except in respect of those matters then already performed.

12. NOTICES

- 12.1 All notices required or permitted to be given hereunder shall be given in writing in English delivered personally or sent by pre-paid registered post or by facsimile to the party due to receive such notice at its address or facsimile number set out herein, or to such other address and/or facsimile number as the relevant party shall have notified to the other parties hereto in accordance with the terms hereof.

Placing Agent

Address : Unit 2305, 23/F, The Center, 99 Queen's Road Central, Hong Kong

Facsimile no : (852) 3899 1888

Attn : Rick Fan, Responsible Officer

Company

Address : 18/F, V. Heun Building, 138 Queen's Road Central, Hong Kong

Facsimile no : (852) [*]

Attn : The Board of Directors

- 12.2 Time of receipt of notice: Any notice delivered personally shall be deemed to be received when delivered and any notice sent by pre-paid registered post shall be deemed (in the absence of evidence of earlier receipt) to be received 2 days after posting and in proving the time of dispatch it shall be sufficient to show that the envelope containing such notice was properly addressed, stamped and posted. Any notice sent by facsimile shall be deemed to have been received upon production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient and provided that a hard copy of the notice so served by facsimile was posted or delivered by hand on the same day as the notice was served by facsimile or on the immediately subsequent day. Any notice received or deemed to be received on a Saturday, Sunday or public holiday in Hong Kong shall be deemed to have been received on the next Business Day.

13. GOVERNING LAW & JURISDICTION

This Agreement shall be governed by and construed in accordance with Hong Kong law and each of the parties hereto irrevocably submits to the non-exclusive jurisdiction of the courts of Hong Kong and agrees that any proceedings arising

hereunder may be served on it at its address shown in this Agreement.

IN WITNESS whereof this Agreement has been entered into the day and year first
above written:
[Signature]
[Signature]
[Signature]

[Signature]
[Signature]

EXECUTION PAGE

SIGNED by)
for and on behalf of)
HONG KONG ENTERTAINMENT)
INTERNATIONAL HOLDINGS)
LIMITED)

in the presence of:-)

For and on behalf of
Hong Kong Entertainment International Holdings Limited
港娛國際控股有限公司


.....
Authorized Signature(s)

SIGNED by)
for and on behalf of)
SUNCORP SECURITIES LIMITED)

in the presence of:-)


