

**DATE: 29 December 2022**

**HAO BAI INTERNATIONAL (CAYMAN) LIMITED  
(as company)**

**AND**

**CHEONG LEE SECURITIES LIMITED  
(as placing agent)**

---

**PLACING AGREEMENT**

---

## INDEX

	<u>Page</u>
Parties.....	1
Recitals.....	1
Clause No.	
1. Definitions.....	1
2. Appointment of the Placing Agent.....	4
3. Condition.....	5
4. Delivery of documents.....	5
5. Announcement.....	5
6. Listing.....	5
7. Completion.....	5
8. Representations and warranties.....	6
9. Indemnity.....	8
10. Placing fee.....	8
11. Announcements.....	9
12. Undertakings by the Placing Agent.....	9
13. Termination.....	11
14. General provisions relating to Agreement.....	12
15. Notices.....	13
16. Governing law, jurisdiction and service of process.....	14
Execution.....	

**THIS AGREEMENT** is made on the 29<sup>th</sup> day of December, 2022

**BETWEEN:**

- (1) **HAO BAI INTERNATIONAL (CAYMAN) LIMITED**, a company incorporated in the Cayman Islands with limited liability whose registered office is situated at P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands and its head office and principal place of business in Hong Kong at Unit 1B, 10/F, Elite Industrial Centre, No. 883 Cheung Sha Wan Road, Kowloon, Hong Kong (the “**Company**”); and
- (2) **CHEONG LEE SECURITIES LIMITED**, a company incorporated under the laws of Hong Kong and a licensed corporation with the SFC (as defined below) to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 5 (advising on futures contracts) regulated activities under the SFO (as defined below) in Hong Kong (CE No. AMI414) with the registered office of which is at Room 16B, 16/F, Bank of East Asia Harbour View Centre, 56 Gloucester Road, Wanchai, Hong Kong (the “**Placing Agent**”)

**WHEREAS:**

- (A) The Company is a limited liability company incorporated in the Cayman Islands and the Shares (as defined below) are listed on GEM of the Stock Exchange (Stock Code: 8431). The Company has at the date of this Agreement an authorised share capital of HK\$20,000,000 divided into 2,000,000,000 Shares of which 1,630,000,000 Shares have been issued and are fully paid up or credited as fully paid up.
- (B) At the annual general meeting of the Company held on 30 September 2022, a resolution was passed pursuant to which a general mandate was unconditionally given to the directors of the Company to allot, issue and deal with new Shares not exceeding 20% of the aggregate nominal amount of the then existing issued share capital of the Company, i.e. a total of 323,400,000 Shares (“**General Mandate**”). No new Shares were allotted and issued under the General Mandate since 30 September 2022. The Company intends to raise new funds (before expenses) of HK\$7,438,200 by issuing up to 323,400,000 new Shares.
- (C) All the issued Shares are currently listed on GEM of the Stock Exchange.
- (D) The Company proposes to offer for subscription and the Placing Agent has agreed to procure subscriptions for the Placing Shares on a best endeavour basis on the terms and subject to the condition hereinafter mentioned.
- (E) The Placing Shares will be issued pursuant to the General Mandate.

**NOW IT IS HEREBY AGREED as follows:**

**1. DEFINITIONS**

- 1.1 In this Agreement (including the Recitals) the following expressions (except where the context otherwise requires) shall have the respective meanings set out below:

“Admission”	the granting by the GEM Listing Committee or the Division of the listing of, and permission to deal in, all of the Placing Shares (and “Admitted” shall be construed accordingly)
“agreed draft”	a document or agreement which is in form and substance reasonably satisfactory to the Company and the Placing Agent
“Announcement”	the announcement in the agreed draft and proposed to be issued by the Company as soon as practicable following the execution of this Agreement (subject to such amendments as may be required in response to the questions from the Stock Exchange)
“Articles”	the articles of association of the Company
“Board”	the board of directors of the Company
“Business Day”	any day (not being a Saturday, Sunday or public or statutory holiday in Hong Kong and any day on which a tropical cyclone warning 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 signal 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 are generally open for business in Hong Kong throughout their normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Companies Ordinance”	the Companies Ordinance (Chapter 622 of the Laws of Hong Kong)
“Completion”	completion of the Placing as provided in Clause 7
“Completion Date”	the date of Completion
“Division”	the Listing Division of the Stock Exchange
“GEM”	GEM of the Stock Exchange

“GEM Listing Committee”	the GEM listing sub-committee appointed by the Stock Exchange for considering applications for the Admission
“GEM Listing Rules”	the rules governing the listing of securities on GEM
“General Mandate”	has the meaning ascribed thereto in Recital (B)
“Group”	the Company and its subsidiaries
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Placee(s)”	any individuals, corporate, institutional, professional investors or other investors procured by or on behalf of the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent’s obligations hereunder
“Placing”	the offer by way of private placing of the Placing Shares by or on behalf of the Placing Agent to the Placee(s) on the terms and subject to the condition set out in this Agreement
“Placing Letter”	the letter to be sent to the proposed Placee(s) in the agreed draft
“Placing Price”	the price of HK\$0.024 per Placing Share
“Placing Shares”	up to 323,400,000 new Shares to be allotted and issued pursuant to the terms and conditions of this Agreement which will rank pari passu in all respects with the Shares in issue as at the date of allotment of the Placing Shares
“SFC”	the Securities and Futures Commission of Hong Kong
“Shares”	ordinary shares of HK\$0.01 each in the capital of the Company
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“Warranties”	the representations, warranties and undertakings set out in Clause 8
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong

- 1.2 Words and expressions defined in the Companies Ordinance shall unless the context otherwise requires have the same meanings in this Agreement.
- 1.3 In this Agreement, including the Recitals:
- (1) references to recitals, clauses and paragraphs (other than to a schedule to a statutory provision) are to recitals, clauses and paragraphs of this Agreement;
  - (2) a reference to a statute or statutory provision includes a reference:
    - (a) to that statute or statutory provision as from time to time modified or re-enacted;
    - (b) to any repealed statute or statutory provision which it re-enacts (with or without modification); and
    - (c) to any subordinate legislation made under the relevant statute;
  - (3) references to the singular include references to the plural and vice versa;
  - (4) references to any gender include references to all genders;
  - (5) references to persons include references to bodies corporate, unincorporated associations and partnerships; and
  - (6) headings to clauses are for convenience only and do not affect interpretation of this Agreement.

## **2. APPOINTMENT OF THE PLACING AGENT**

- 2.1 The Company hereby appoints the Placing Agent, upon and subject to the terms and conditions of this Agreement, as its placing agent to procure not less than six Placee(s) at the Placing Price (together with brokerage (if any), such transaction levy as may be payable by the Placee(s) to the SFC for the Placing Shares and such trading fee as may be payable by the Placee(s) to the Stock Exchange for the Placing Shares) for the Placing Shares on a best endeavour basis. The Placing Shares shall be offered by way of Placing Letter by the Placing Agent to the Placee(s) (other than as agreed between the Placing Agent and the Company). The Placing Agent may in turn appoint its sub-placing agent(s) to procure the purchasers to subscribe for the Placing Shares.
- 2.2 The Placing Agent undertakes to the Company that it will:
- (1) procure Placee(s) only in the course of communications with them over the telephone and without the despatch of documents until after legally binding commitments (which shall in all cases be conditional on the condition set out in Clause 3.1 of this Agreement to the extent that such condition has not been satisfied) to subscribe for the Placing Shares have been obtained from each Placee(s) in the course of such communications; and
  - (2) confine all statements it makes during the course of these communications strictly within the limits of the information contained in the Announcement.

3. **CONDITION**

- 3.1 The obligations of the Placing Agent under Clause 2 and the obligations of the Company under Clause 7 are conditional upon the Admission being obtained and not subsequently revoked on or before 13 January 2023 or such later date as the parties hereto may agree in writing.
- 3.2 Each of the Company and the Placing Agent shall use their respective best endeavours to procure the satisfaction of the condition set out in Clause 3.1 by the time stated therein or such later date as the parties hereto may agree in writing, but if the said condition shall not be so satisfied, all rights, obligations and liabilities of the Placing Agent and of the Company hereunder shall cease and determine and none of the parties hereto shall have any claim against the other in relation thereto save for any antecedent breach.

4. **DELIVERY OF DOCUMENTS**

The Company shall as soon as practicable following execution of this Agreement deliver or procure to be delivered to the Placing Agent (to the extent that the Placing Agent has not already received the same) a certified copy of the minutes of the meeting of the Board at which resolutions were passed approving and authorising the application for the Admission, the publication of the Announcement and the execution and completion of this Agreement by the Company.

5. **ANNOUNCEMENT**

The Company shall release the Announcement for publication as soon as practicable after execution of this Agreement, amended as may be agreed between the Company and the Stock Exchange.

6. **LISTING**

The Company undertakes to the Placing Agent that it will apply to the GEM Listing Committee for the Admission and the Placing Agent agrees to sign any documents or take any action as may be required in connection with such application for the Admission.

7. **COMPLETION**

- 7.1 Completion shall take place at 4:00 p.m. at the office of the Placing Agent within seven (7) Business Day after the fulfillment of the condition set out in Clause 3 (or such other date as the parties hereto may agree in writing).
- 7.2 As soon as reasonably practicable upon the Completion, the Placing Agent will deliver to the Stock Exchange (and/or the SFC, if requested) and the Company details of the Placee(s) procured by it to subscribe for the Placing Shares including, inter alia, their names and addresses and the number of Placing Shares which they have respectively agreed to subscribe, and (if requested by the Stock Exchange and/or the SFC) together with acknowledgments signed by each of the Placees confirming, inter alia, that such Placee (and any of their nominees or beneficial owners) is independent of and not

connected with the Company, any promoter(s), director(s), supervisor(s), chief executive(s), substantial shareholder(s) (as defined in the GEM Listing Rules) of the Company or any of its subsidiaries or their respective associates (as defined in the GEM Listing Rules).

### 7.3 At Completion:

- (1) the Placing Agent will deliver to the Company by way of transfer immediately available cleared fund to an account of the Company (or its nominee) maintained with the Placing Agent or as the Company may direct such sum equivalent to the aggregate amount payable for the total number of Placing Shares sold on behalf of the Company less all fees payable to the Placing Agent under Clause 10 or in the event that the Company and the Placing Agent agree to effect Completion through CCASS, on a delivery against payment basis at CCASS;
- (2) the Company shall allot and issue the Placing Shares, subject to the Articles by utilising the current General Mandate, to the Placee(s) and/or the Placing Agent in accordance with the details delivered by the Placing Agent to the Company pursuant to Clause 7.2 and shall promptly thereafter register such Placee(s) and/or the Placing Agent as holders of the Placing Shares; and
- (3) on the day of Completion (or, if later, immediately following deposit of the sum into the account of the Company (or its nominee) referred to in Clause 7.3(1)), the Company shall deliver or cause to be delivered to the Placing Agent the share certificates in respect of the Placing Shares placed by it (each in a form complying with the GEM Listing Rules) in favour of the persons so registered pursuant to Clause 7.3(2) and in accordance with their respective entitlements thereto or, where the Placing Agent has designated an investor participant or CCASS participant stock account for deposit of the Placing Shares, evidence to the satisfaction of the Placing Agent that such documents and instructions required to effect the crediting of such Placing Shares in favour of the persons so registered have been signed or given, as the case may be.

## 8. REPRESENTATIONS AND WARRANTIES

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

- (1) the Company was duly incorporated and is validly existing under the laws of the Cayman Islands;
- (2) the entire existing issued share capital of the Company is listed on GEM of the Stock Exchange;
- (3) subject to the fulfillment of the condition set out in Clause 3.1, the Company has full power and authority to issue the Placing Shares in accordance with the Articles and with all relevant laws of Hong Kong and the Cayman Islands;
- (4) subject to the fulfillment of the condition set out in Clause 3.1, the issue of the Placing Shares will not cause any breach of any agreement to which it is a party or by which it is bound and will not infringe or exceed any limits on, powers of,



or restrictions on the terms of any contract, obligation or commitment of the Company, the effect of such breach is to materially and adversely affect the financial condition of the Group (taking as a whole);

- (5) with respect to all announcements, circulars, quarterly, interim and annual reports issued by the Company to the Stock Exchange and/or the shareholders of the Company since the publication of the annual report of the Company for the year ended 31 March 2022 (the “**Previous Announcements**”), all statements of fact contained therein were true, accurate and not misleading in any material respect and all expressions of opinion or intention contained therein were made on reasonable grounds after due and careful enquiries and were truly and honestly held by the directors of the Company and were fairly based and there were no other facts known to the directors of the Company the omission of which would make any such statement or expression in any of the Previous Announcements misleading in any material respect;
- (6) save as disclosed in the Previous Announcements, the Company has not received any notice from the Stock Exchange, the SFC or other regulatory bodies alleging that it is in breach of any rules, regulations or requirements of the Stock Exchange, the SFC and such regulatory bodies and which would materially and adversely affect the financial condition of the Group (taken as a whole);
- (7) save as disclosed in the Previous Announcements or disclosed to the Placing Agent, the Group is not engaged in any litigation, arbitration or governmental proceeding which (individually or in aggregate) is likely to have a significant effect on the financial or trading position of the Group and no such litigation, arbitration or proceeding are threatened in writing or pending;
- (8) the Placing Shares, when issued, will be fully paid up and will rank pari passu in all respects with the other Shares in issue as at the date of allotment and issue of the Placing Shares and the Placing Shares, when issued, will be free from all liens, charges, encumbrances, claims, options or other third party rights together with all rights attaching thereto as at the date of allotment and issue of the Placing Shares;
- (9) the Company shall not, and shall procure that no member of the Group shall at any time prior to or on the Completion Date, do or omit to do anything which may cause any of the representations, warranties and undertakings set out in this Clause to be untrue in any material respect; and
- (10) the foregoing representations, warranties and undertakings shall be deemed to be repeated on the Completion Date as if given or made on such date, with reference in each case to the facts and circumstances then subsisting and shall remain in full force and effect notwithstanding Completion. The Company undertakes to notify the Placing Agent of any matter or event coming to its attention prior to the Completion Date which shows any of the representations, warranties and undertaking to be or to have been untrue, inaccurate or misleading in any material respect.

8.2 The representations and warranties contained in this Clause are 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). 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 Completion Date which shows any relevant representation or warranty to be or to have been untrue or inaccurate at the date hereof or at any time prior to the Completion Date.

## 9. INDEMNITY

9.1 The Company undertakes to indemnify the Placing Agent, against all or any costs, expenses (including reasonable and proper legal fees), 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 their 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 by any Placee or by any governmental agency, regulatory body or other person:

- (1) arising out of or in connection with any breach of any of the warranties and representations contained in Clause 8.1; or
- (2) which are directly occasioned by or resulting from or 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 Placing Agent's (or that of its sub-placing agents) negligence, breach of this Agreement, fraud, gross negligence or willful default.

## 10. PLACING FEE

10.1 In consideration of the services of the Placing Agent in relation to the Placing and subject to the Completion of this Agreement pursuant to Clause 7, the Company shall pay to the Placing Agent a commission of 2.5 per cent (2.5%) of the aggregate Placing Price of the Placing Shares placed by the Placing Agent on behalf of the Company in pursuance of its obligations herein which the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company at Completion pursuant to Clause 7.3(1).

10.2 In addition to the placing commission referred to in Clause 10.1:

- (1) the Company shall pay all fees payable to the Stock Exchange arising from the creation and issuance of the Placing Shares in accordance with the terms of this Agreement, any and all fees payable to the SFC, and all charges, fees and expenses of the Company's share registrar including (without limitation) their fees and expenses in allotting and issuing the Placing Shares, and the issuance of definitive share certificates therefor, to the Placee(s) or, where applicable, the Placing Agent or its nominees, all of which amounts the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company pursuant to this Agreement; and

- (2) the Company shall bear all costs and expenses of the Placing Agent's legal and other professional advisers and all out-of-pocket expenses (including but not limited to fees charged by the the SFC in respect of CCASS transactions) reasonably and properly incurred by the Placing Agent in relation to the Placing, which, if ascertained at Completion, the Placing Agent is hereby authorised to deduct from the payment to be made to the Company pursuant to this Agreement.
- 10.3 Without prejudice to the generality of Clause 10.2(1), the Company will be responsible to pay all costs and expenses (including legal expenses) incurred by it in connection with:
- (1) the preparation and release of the Announcement and the negotiation, preparation and Completion; and
- (2) the issue of the Placing Shares (excluding any trading fee and transaction levy as may be payable by the Placee(s) to the Stock Exchange and the SFC respectively for the Placing Shares).
- 10.4 Payment of the amounts referred to in Clause 10.2(2) to the extent they have been reasonably and properly incurred, shall be made by the Company to the Placing Agent whether or not Completion takes place.

## 11. ANNOUNCEMENTS

Subject to any requirements of the Stock Exchange or other regulatory authorities, none of the parties hereto 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 (such consent not to be unreasonably withheld or delayed).

## 12. UNDERTAKINGS BY THE PLACING AGENT

- 12.1 The Placing Agent represents, warrants and undertakes to the Company that:
- (1) the Placing Agent was duly incorporated in Hong Kong and a licensed corporation to carry out Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities) and Type 5 (advising on futures contracts) regulated activities under the SFO;
- (2) in each jurisdiction in which the Placing Agent solicits subscription for the Placing Shares the Placing Agent will do so in accordance with all relevant laws or regulations in force in such jurisdiction. The Placing Shares shall not be offered to or placed in circumstances which would constitute an offer to the public in Hong Kong within the meanings of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or in any other place or in any manner in which the securities laws or regulations of any place may be infringed;
- (3) to the best knowledge, information and belief of the Placing Agent (after due and careful enquiries), the Placee(s) and their respective ultimate beneficial owners will be third party(ies) independent of, and not connected with, the

Company, any director(s), chief executive(s) or substantial shareholder(s) (as defined in the GEM Listing Rules) of the Company or any of its subsidiaries or their respective associates (as defined in the GEM Listing Rules);

- (4) the Placing Agent will make available and promptly supply, or procure the relevant Placee(s) to make available and promptly supply, to the Stock Exchange and/or the SFC or any other regulatory authority all information in relation to the Placee(s) which may be required by the Stock Exchange, the SFC and/or any other regulatory authority;
- (5) the Placing Agent has all powers and authorities to enter into this Agreement and this Agreement has been duly authorised and executed by, and constitutes valid and legally binding obligations of the Placing Agent;
- (6) the Placing Agent has obtained and maintained all requisite licences and permits necessary for carrying on its business and the performance of its obligations hereunder, and all such licences and permits are valid and subsisting and there is no reason that causes the Company to believe that any of them will be suspended, cancelled or revoked;
- (7) the Placing Agent 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 jurisdiction 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;
- (8) in each jurisdiction in which the Placing Agent solicits subscription for the Placing Shares the Placing Agent will do so in accordance with all applicable laws, rules and regulations in force in such jurisdiction. The Placing Shares shall not be offered to or placed in circumstances which would constitute an offer to the public in Hong Kong within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) or in any other place or in any manner in which the securities laws, rules or regulations of any place may be infringed or not complied with;
- (9) the transactions contemplated under this Agreement are not prohibited by law or regulation or interpretation thereof (including without limitation, any statute, order, rule, regulation, request, judgement or directive promulgated or issued by any legislative, executive, judicial or regulatory body or authority) in Hong Kong or other jurisdiction which is applicable to the Placing Agent;
- (10) no action has been or will be taken directly or indirectly in any jurisdiction that would result in a public offering of the Placing Shares and neither it nor persons acting on its behalf will offer or sell any Placing Shares otherwise than in compliance with applicable laws and regulations in each jurisdiction in which any such offer or sale takes place, and without prejudice to the generality of the foregoing, as the Placing Shares have not been and will not be registered under the Securities Act of the United States (the “**Securities Act**”), they may not be offered, sold, transferred and delivered within the United States except pursuant to an exemption from, or in a transaction not subject to, the

registration requirements of the Securities Act, and accordingly the Placing Shares have not been and will not be offered or sold to a buyer in the United States, except to those persons it reasonably believes to be qualified institutional buyers (as defined in Rule 144A under the Securities Act). Neither it nor any person acting on its behalf has engaged or will engage in any directed selling efforts in the United States (as defined in Regulation S under the Securities Act) or any form general solicitation or general advertising (each as used in Rule 5.02(c) of Regulation D under the Securities Act) with respect to the Placing Shares;

- (11) the Placing Agent will ensure the fulfillment and compliance of all applicable rules and regulations of the Stock Exchange (including but not limited to the guidance letter (HKEx-GL17-10)) and if applicable rules 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
  - (12) the Placing Agent shall be responsible for the fees of any sub-placing agents appointed by it in connection with the Placing.
- 12.2 The representations and warranties contained in this Clause are 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). 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 Completion Date which shows any relevant representation or warranty to be or to have been untrue or inaccurate at the date hereof or at any time prior to the Completion Date.

### 13. TERMINATION

- 13.1 The Placing Agent may, in its reasonable opinion, after consultation with the Company, terminate this Agreement by notice in writing to the Company at any time up to 8:00 a.m. on the Completion Date if:
- (1) there is any change in national, international, financial, exchange control, political, economic conditions in Hong Kong which in the reasonable opinion of the Placing Agent would be materially adverse in the consummation of the Placing; or
  - (2) there is any breach of the warranties, representations and undertakings given by the Company in this Agreement and such breach is considered by the Placing Agent on reasonable grounds to be material in the context of the Placing; or
  - (3) 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 absolute 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

- (4) 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 absolute opinion would affect the success of the Placing; or
  - (5) the imposition of any moratorium, suspension (for more than seven (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 absolute opinion, would affect the success of the Placing; or
  - (6) there is any material change (whether or not forming part of a series of changes) in market conditions which in the reasonable opinion of the Placing Agent would materially and prejudicially affect the Placing or makes it inadvisable or inexpedient for the Placing to proceed; or
  - (7) any statement contained in the Previous Announcements has become or been discovered to be untrue, incorrect or misleading in any material respect which in the opinion of the Placing Agent would be materially adverse in the consummation of the Placing.
- 13.2 The Company may, in its reasonable opinion, after consultation with the Placing Agent, terminate this Agreement by notice in writing to the Placing Agent at any time up to 8:00 a.m. on the Completion Date if there is a breach of the warranties, representations and undertakings given by the Placing Agent in this Agreement and such breach is considered by the Company on reasonable grounds to be material.
- 13.3 Upon termination of this Agreement pursuant to this Clause 13, all obligations and liabilities of the parties hereto hereunder shall cease and determine and no party hereto shall have any claim against the other party in respect of any matter or thing arising out of or in connection with this Agreement save in respect of any antecedent breach of any obligation under this Agreement.

#### **14. GENERAL PROVISIONS RELATING TO AGREEMENT**

- 14.1 Any date or period in this Agreement may be changed by written agreement of the parties but as regards any date or period (whether or not amended or changed as aforesaid) time shall be of the essence of this Agreement.
- 14.2 Each of the parties hereto undertakes to the other to execute all such documents and to do or procure to be done all such other acts and things as may be necessary to give the other party the full benefit of this Agreement.
- 14.3 This Agreement shall be binding on and endure for the benefit of the successors of the parties but assignment may only be made after prior written consent of the other party has been given.
- 14.4 Any right or remedy conferred on any party for breach of this Agreement (including the breach of any representations and warranties) shall be in addition and without prejudice to all other rights and remedies available to it in respect of that breach and the exercise of or failure to exercise any right or remedy in respect of such breach shall not, save as

provided herein, constitute a waiver by such party of any other right or remedy it may have in respect of that breach.

- 14.5 Any provision of this Agreement which is capable of being performed after Completion but which has not been performed at or before Completion and all the representations and warranties contained in this Agreement shall remain in full force and effect notwithstanding Completion.
- 14.6 This Agreement constitutes the entire agreement between the parties hereto with respect to its subject matter (no party having relied on any representation or warranty made by the other party with respect thereto which is not contained in this Agreement) and this Agreement supersedes all and any previous agreements, arrangements or understandings between the parties hereto relating to the matters referred to in this Agreement and all such previous agreements, arrangements or understandings (if any) shall cease and determine with effect from the date hereof.
- 14.7 No variation of this Agreement shall be effective unless made in writing and signed by each of the parties hereto.
- 14.8 If at any time any provision of this Agreement is or becomes illegal, void or unenforceable in any respect, the remaining provisions hereof shall in no way be affected or impaired thereby.
- 14.9 This Agreement may be executed by the parties hereto in any number of counterparts and on separate counterparts, each of which when so executed shall be deemed an original but all of which shall constitute one and the same instrument and be binding on all parties. Any party executing this Agreement on a facsimile copy counterpart shall deliver the original of the counterpart to another party within two (2) days after the same was sent by facsimile.

## **15. NOTICES**

- 15.1 All notices delivered hereunder shall be in writing and shall be delivered by hand or despatched by first class post to the following addresses: if to the Company, to Unit 1B, 10/F, Elite Industrial Centre, No. 883 Cheung Sha Wan Road, Kowloon, Hong Kong marked for the attention of the board of directors of the Company and if to the Placing Agent, to its address set out herein marked for the attention of Mr. Antony Kwok or such other address or marked for the attention of such other person as the Placing Agent may from time to time notify in writing to the Company.
- 15.2 Any such notice shall take effect in the case of delivery by hand upon delivery, in the case of despatch by post twenty-four (24) hours after posting, and in the case of facsimile, on 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 specified in Clause 15.1.

## **16. GOVERNING LAW, JURISDICTION AND SERVICE OF PROCESS**

- 16.1 This Agreement shall be governed by, and construed in accordance with, the laws of Hong Kong.

- 16.2 Each party hereto irrevocably agrees that the courts of Hong Kong (the “Courts”) shall have non-exclusive jurisdiction in relation to any claim, dispute or difference concerning this Agreement and any matter arising therefrom.
- 16.3 Each party hereto irrevocably waives any right that it may have to object to an action being brought in those Courts, to claim that the action has been brought in an inconvenient forum, or to claim that those Courts do not have jurisdiction.
- 16.4 Each party hereto agrees that without preventing any other mode of service, any document in an action (including, but not limited to, any writ of summons or other originating process or any third or other party notice) may be served on any party by being delivered to or left for that party at its address for service of notices under Clause 15 and each party hereto undertakes to maintain such an address at all times in Hong Kong and to notify the other party in advance of any change from time to time of the details of such address in accordance with the manner prescribed for service of notice under Clause 15.

[This space is intentionally left blank]



IN WITNESS the hands of the duly authorised representatives of the parties hereto the day and year first above written.

**THE COMPANY**

SIGNED by *WONG WING HUNG*  
(Executive Director) )

for and on behalf of )

**HAO BAI INTERNATIONAL  
(CAYMAN) LIMITED** )

in the presence of: )

*Ng Wan Lok*  
(Executive Director)

For and on behalf of  
Hao Bai International (Cayman) Limited  
浩柏國際(開曼)有限公司

.....  
Authorized Signature(s)



**THE PLACING AGENT**

SIGNED by *Anthony Kuo* )

for and on behalf of )

**CHEONG LEE  
SECURITIES LIMITED** )

in the presence of: *Eric Cheng* )



For and on behalf of  
**CHEONG LEE SECURITIES LIMITED**  
昌利證券有限公司

.....  
Authorized Signature(s)

