## THIS PROSPECTUS IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION

**If you are in any doubt** as to any aspect of this Prospectus or as to the action to be taken, you should consult your licensed securities dealer or other registered institution in securities, bank manager, solicitors, professional accountant or other professional adviser.

**If you have sold or transferred** all your shares in **Hong Kong Entertainment International Holdings Limited**, you should at once hand or forward this Prospectus Documents to the purchaser(s) or transferee(s) or to the bank, licensed securities dealer or other agent through whom the sale or transfer was effected for transmission to the purchaser(s) or the transferee(s).

**Hong Kong Exchanges and Clearing Limited, the Stock Exchange and HKSCC take no responsibility for the contents of this Prospectus, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of the Prospectus Documents.**

A copy of each of the Prospectus Documents, having attached thereto the documents specified in the paragraph headed "15. Documents delivered to the Registrar of Companies in Hong Kong" in Appendix III to this Prospectus, has been registered by the Registrar of Companies in Hong Kong pursuant to Section 342C of the Companies (WUMP) Ordinance. The Registrar of Companies in Hong Kong, the Stock Exchange and the SFC take no responsibility for the contents of any of the Prospectus Documents.

Dealings in the Shares and the Rights Shares in both nil-paid and fully-paid forms may be settled through CCASS established and operated by HKSCC and you should consult your stockbroker or licensed securities dealer or registered institution in securities, bank manager, solicitor, professional accountant or other professional adviser for details of the settlement arrangements and how such arrangements may affect your rights and interests. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time.

# Hong Kong Entertainment International Holdings Limited
# 港 娛 國 際 控 股 有 限 公 司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8291)**

## PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD AT THE CLOSE OF BUSINESS ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

**Placing Agent**

Suncorp

**Suncorp Securities Limited**

**The Rights Issue will proceed on a non-underwritten basis.** Pursuant to the Company's constitutional documents, the applicable laws in Hong Kong and the Cayman Islands and the GEM Listing Rules, there is no requirement for a minimum level of subscription in the Rights Issue. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. The Rights Issue is subject to fulfilment of the conditions of the Rights Issue as set out in the section headed "Letter from the Board – Conditions of the Rights Issue" in this Prospectus. If the conditions of the Rights Issue are not fulfilled at or prior to the latest time for the Rights Issue to become unconditional, the Rights Issue will not proceed.

Capitalised terms used in this cover page have the same meanings as defined in this Prospectus.

Dealings in the Rights Shares in the nil-paid form will take place from Thursday, 17 September 2026 to Thursday, 24 September 2026 (both days inclusive). Any person contemplating dealing in the nil-paid Rights Shares during the period from Thursday, 17 September 2026 to Thursday, 24 September 2026 (both days inclusive) will accordingly bear the risk that the Rights Issue may not become unconditional and/or may not proceed. Any person contemplating dealing in the Shares and/or the Rights Shares in their nil-paid form are recommended to consult his/her/its/their own professional advisers.

Shareholders and potential investors of the Company are advised to exercise caution when dealing in the Shares and/or nil-paid Rights Shares up to the date when the conditions of the Rights Issue are fulfilled.

**The latest time for acceptance of and payment for the Rights Shares and for application is 4:00 p.m. on Tuesday, 29 September 2026. The procedure for acceptance and payment or transfer is set out on pages 20 to 21 of this Prospectus.**

15 September 2026

**GEM has been positioned as a market designed to accommodate small and mid-sized companies to which a higher investment risk may be attached than other companies listed on the Stock Exchange. Prospective investors should be aware of the potential risks of investing in such companies and should make the decision to invest only after due and careful consideration.**

**Given that the companies listed on GEM are generally small and mid-sized companies, there is a risk that securities traded on GEM may be more susceptible to high market volatility than securities traded on the Main Board and no assurance is given that there will be a liquid market in the securities traded on GEM.**

# CONTENTS

# EXPECTED TIMETABLE

*Set out below is the expected timetable for the proposed Rights Issue and the Placing which is indicative only and has been prepared on the assumption that all the conditions of the Rights Issue will be fulfilled:*

| **Events** | **Date and time (Hong Kong time)** |
|---|---|
| Despatch of Prospectus Documents | Tuesday, 15 September 2026 |
| First day of dealings in nil-paid Rights Shares | Thursday, 17 September 2026 |
| Latest time for splitting of PAL | 4:30 p.m. on Monday, 21 September 2026 |
| Last day of dealings in nil-paid Rights Shares | Thursday, 24 September 2026 |
| Latest time for acceptance of and payment for the Rights Shares | 4:00 p.m. on Tuesday, 29 September 2026 |
| Latest time for lodging transfer documents of nil-paid Rights Shares in order to qualify for the Compensatory Arrangements | 4:00 p.m. on Tuesday, 29 September 2026 |
| Announcement of the number of the Unsubscribed Rights Shares and the ES Unsold Rights Shares subject to the Compensatory Arrangements | Tuesday, 6 October 2026 |
| Commencement of placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by the Placing Agent | Wednesday, 7 October 2026 |
| Latest time of placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by the Placing Agent | 4:00 p.m. on Monday, 12 October 2026 |
| Latest time for the Rights Issue and placing of the Unsubscribed Rights Shares and ES Unsold Rights Shares to become unconditional | 4:00 p.m. on Monday, 12 October 2026 |

| | |
|---|---|
| Announcement of results of the Rights Issue (including results of the placing of the Unsubscribed Rights Shares and the ES Unsold Rights Shares and the amount of the Net Gain per Unsubscribed Rights Share and per ES Unsold Rights Share under the Compensatory Arrangements) | Friday, 16 October 2026 |
| Despatch of share certificates for the Rights Shares and refund cheques (if the Rights Issue is terminated) | Tuesday, 20 October 2026 |
| Commencement of dealings in fully-paid Rights Shares | 9:00 a.m. on Wednesday, 21 October 2026 |
| Designated broker commences to provide matching services for odd lots of the Shares | Wednesday, 21 October 2026 |
| Payment of Net Gain to relevant No Action Shareholders or Excluded Shareholders | Wednesday, 28 October 2026 |
| Designated broker ceases to provide matching services for odd lots of the Shares | Monday, 9 November 2026 |

*All times and dates in this Prospectus refer to Hong Kong local times and dates. In the event that any special circumstances arise, such dates and deadlines may be adjusted by the Board if it considers appropriate. Any changes to the expected timetable will be published or notified to the Shareholders by way of announcement(s) on the website of the Stock Exchange and on the website of the Company as and when appropriate.*

## EFFECT OF BAD WEATHER AND/OR EXTREME CONDITIONS ON THE LATEST TIME FOR ACCEPTANCE OF AND PAYMENT FOR THE RIGHTS SHARES

The Latest Time for Acceptance will not take place as scheduled if there is a tropical cyclone warning signal no. 8 or above, a black rainstorm warning signal and/or "extreme conditions" as announced by the government of Hong Kong:

(i) is/are in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on the date of the Latest Time for Acceptance. Instead the Latest Time for Acceptance will be extended to 5:00 p.m. on the same Business Day; or

(ii) is/are in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on the date of the Latest Time for Acceptance. Instead the Latest Time for Acceptance will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force in Hong Kong at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Acceptance does not take place on the currently scheduled date, the dates mentioned in the "EXPECTED TIMETABLE" above may be affected. Announcement will be made by the Company in such event.

*In this Prospectus, the following expressions shall have the following meanings unless the context otherwise requires:*

| | |
|---|---|
| "AFRC" | the Accounting and Financial Reporting Council |
| "Announcement" | the announcement of the Company dated 9 July 2026 in relation to, among others, the Rights Issue and the Placing |
| "associate(s)" | has the meaning ascribed to it under the GEM Listing |
| "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 HKSCC |
| "Circular" | the circular of the Company dated 12 August 2026 in relation to, among other things, the Rights Share and the Placing |
| "Companies (WUMP) Ordinance" | the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) |
| "Company" | Hong Kong Entertainment International Holdings Limited, a company incorporated in the Cayman Islands with limited liability, the issued Shares of which are listed on GEM of the Stock Exchange (stock code: 8291) |
| "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" | the extraordinary general meeting of the Company convened and held on Wednesday, 2 September 2026 at which the Rights Issue, the Placing and the transactions contemplated thereunder have been approved by Independent Shareholders |
| "ES Unsold Rights Share(s)" | the Rights Share(s) which would otherwise have been provisionally allotted to the Excluded Shareholders 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$0.006 each in the share capital of the Company |
| "GEM" | GEM of the Stock Exchange |
| "GEM Listing Committee" | has the same meaning ascribed to it under the GEM Listing Rules |
| "GEM Listing Rules" | the Rules Governing the Listing of Securities on GEM |
| "Group" | the Company and its subsidiaries |
| "HK$" | Hong Kong dollar(s), the lawful currency of Hong Kong |
| "HKSCC" | Hong Kong Securities Clearing Company Limited |

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|---|---|
| "HKSCC 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 |
| "Hong Kong" | the Hong Kong Special Administrative Region of the PRC |
| "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 |
| "Intermediary" | in relation to a beneficial owner whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, means the beneficial owner's broker, custodian, nominee or other relevant person who is a CCASS participant or who has deposited the beneficial owner's Shares with a CCASS participant |
| "Last Trading Day" | 9 July 2026, being the last trading day of the Shares on the Stock Exchange immediately before the release of the Announcement |
| "Latest Placing Date" | 12 October 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 Tuesday, 29 September 2026, (or such other time and date as may be determined by the Company), being the latest time for the acceptance of, and payment for, the Rights Shares |
| "Latest Practicable Date" | 9 September 2026, being the latest practicable date for the purpose of ascertaining certain information contained in this Prospectus prior to its publication |
| "Long Stop Date" | 12 October 2026 or such later date as may be agreed between the Placing Agent and the Company in writing |

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| "Net Gain" | the aggregate of any premiums (being the aggregate amount paid by the placees) after deducting the aggregate amount of the Subscription Price for the Unsubscribed Rights Shares and the ES Unsold Rights Shares placed by the Placing Agent under the Placing Agreement |
| "No Action Shareholder(s)" | Qualifying Shareholder(s) or renouncee(s) or transferee(s) of nil-paid rights under PAL(s) during the Rights Issue who do not subscribe for the Rights Shares (in whole or in part) under the PAL(s), or such persons who hold any nil-paid rights at the time such nil-paid rights lapse |
| "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 |
| "PAL(s)" | the provisional allotment letter(s) proposed to be issued to the Qualifying Shareholders in connection with the Rights Issue |
| "Placee(s)" | 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), 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 (as supplemented by the Supplemental Placing Agreement) 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 Letter from the Board headed "The Placing Agreement" in this Prospectus |
| "Placing Period" | a period commencing from the first Business Day after the date of announcement of the number of the Unsubscribed Rights Shares and the ES Unsold Rights Shares, which is expected to be Wednesday, 7 October 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 Prospectus, 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 the PAL |

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| "Prospectus Posting Date" | Tuesday, 15 September 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" | Monday, 14 September 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" | the branch share registrar of the Company in Hong Kong, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong |
| "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 |
| "RMB" | Renminbi, the lawful currency of the PRC |
| "SFC" | the Securities and Futures Commission of Hong Kong |
| "SFO" | the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) |
| "Shareholder(s)" | the holder(s) of the Share(s) |
| "Stock Exchange" | The Stock Exchange of Hong Kong Limited |
| "Subscription Price" | HK$0.20 per Rights Share |

| | |
|---|---|
| "Substantial Shareholder(s)" | has the meaning ascribed to it under the GEM Listing Rules |
| "Supplemental Placing Agreement" | the supplemental placing agreement dated 5 August 2026 entered into between the Company and the Placing Agent in relation to the Placing Agreement |
| "Takeovers Code" | the Hong Kong Code on Takeovers and Mergers |
| "Unsubscribed Rights Share(s)" | Rights Shares that are not subscribed by the Qualifying Shareholders |
| "%" | per cent |

# Hong Kong Entertainment International Holdings Limited
# 港 娛 國 際 控 股 有 限 公 司

*(Incorporated in the Cayman Islands with limited liability)*

**(Stock code: 8291)**

*Executive Directors:*
Mr. Wang Yun
Mr. Zou Yonggang

*Independent non-executive Directors:*
Mr. Wong Sui Chi
Mr. Wu Chi King
Ms. Yin Suying

*Registered office:*
Windward 3
Regatta Office Park
P.O. Box 1350
Grand Cayman KY1-1108
Cayman Islands

*Head office and principal place of business in the PRC:*
Room C84, 5/F, Building 5
Huilin Plaza, No. 5, Nanyuan South Road
Wumenqiao Street
Gusu District
Suzhou City, Jiangsu Province
The People's Republic of China

*Principal place of business in Hong Kong:*
18/F, V. Heun Building
138 Queen's Road Central
Central
Hong Kong

15 September 2026

*To the Qualifying Shareholders and, for information only, the Excluded Shareholders (if any)*

Dear Sir or Madam,

## PROPOSED RIGHTS ISSUE ON THE BASIS OF THREE (3) RIGHTS SHARES FOR EVERY ONE (1) SHARE HELD AT THE CLOSE OF BUSINESS ON THE RECORD DATE ON A NON-UNDERWRITTEN BASIS

### INTRODUCTION

References are made to the Announcement and the Circular in relation to, among other matters, the Rights Issue and the Placing.

At the EGM held on 2 September 2026, the proposed resolution for approving the Rights Issue, the Placing and the transactions contemplated thereunder was duly approved by the Independent Shareholders, details of which were disclosed in the poll results announcement of the Company dated 2 September 2026.

The purpose of this Prospectus is to provide you with, among other things, details of the Rights Issue, financial information and other general information of the Group.

**PROPOSED RIGHTS ISSUE**

The Board proposes to conduct the Rights Issue on the basis of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders as at the Record Date. Set out below are the details of the Rights Issue statistics.

| | | |
|---|---|---|
| Basis of the Rights Issue | : | three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders at the close of business on the Record Date |
| Subscription Price | : | HK$0.20 per Rights Share |
| Net price per Rights Share (i.e. Subscription Price less cost and expenses incurred in the Rights Issue) | : | approximately HK$0.192 per Rights Share (on the basis that all the Rights Shares will be taken up) |
| Number of Existing Shares in issue as at the Latest Practicable Date | : | 53,333,333 Existing Shares |
| Number of Rights Shares | : | up to 159,999,999 Rights Shares (assuming no change in the number of Shares in issue on or before the Record Date and no exercise of the outstanding share options) |
| Gross proceeds from the Rights Issue | : | Approximately HK$32.0 million before deducting the expenses (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date and no exercise of the outstanding share options) |

| | | |
|---|---|---|
| Net proceeds from the Rights Issue | : | Approximately HK$30.7 million after deducting the expenses (assuming full subscription under the Rights Issue and assuming no change in the number of Shares in issue on or before the Record Date and no exercise of the outstanding share options) |
| Excess application arrangements and underwriting | : | There will be no excess application arrangements in relation to the Rights Issue and the Rights Issue is not underwritten |
| Compensatory Arrangements | : | Any Unsubscribed Rights Shares and ES Unsold Rights Shares will be placed to independent placees on a best effort basis under the Compensatory Arrangements. Any Unsubscribed Rights Shares or ES Unsold Rights Shares which remain unplaced under the Compensatory Arrangement in the market will not be issued by the Company and the size of the Rights Issue will be reduced accordingly |

As at the Latest Practicable Date, except for the 839,781 share options, of which 734,811 were granted to 7 employees of the Company and 104,970 were granted to a consultant of the Company, the Company (i) has no outstanding derivatives, convertible securities, options, warrants or other similar securities in issue which would otherwise confer any right to subscribe for, convert or exchange into Shares; and (ii) does not hold any treasury shares.

Adjustment(s) (if any) to the exercise price and/or the number of Shares subject to the outstanding share options as a result of the Rights Issue will be made in accordance with the terms of the share option scheme of the Company and the requirements of the GEM Listing Rules. The Company will notify the holders of such share options and the Shareholders by way of announcement (as and when appropriate) regarding adjustments to be made (if any) pursuant to the terms of the share option scheme and such adjustments will be certified by an independent financial adviser or auditor of the Company (as the case may be).

As at the Latest Practicable Date, the Company has not received any information or irrevocable undertaking from any Shareholder of his/her/its intention in relation to the Rights Shares to be provisionally allotted to him/her/it under the Rights Issue.

Assuming no change in the number of Shares in issue on or before completion of the Rights Issue, 159,999,999 Shares to be issued pursuant to the terms of the Rights Issue represent 300% of the total number of issued Shares and approximately 75% of the total number of issued Shares as enlarged by the issue of the Rights Shares (assuming full acceptance by the Qualifying Shareholders).

**Non-underwritten basis**

The Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. There will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 10.31(1)(a) of the GEM Listing Rules. In the event the Rights Issue is not fully subscribed, any Rights Shares not taken up by the Qualifying Shareholders will be placed to independent placees under the Compensatory Arrangements. Any Unsubscribed Rights Shares or ES Unsold Rights Shares which remain unplaced under the Compensatory Arrangements will not be issued by the Company and the size of the Rights Issue will be reduced accordingly. There is no minimum subscription level or minimum amount to be raised under the Rights Issue.

As the Rights Issue will proceed on a non-underwritten basis, the Shareholder who applies to take up all or part of his/her/its entitlement under the PAL(s) may unwittingly incur an obligation to make a general offer for the Shares under the Takeovers Code. Accordingly, the Rights Issue will be made on terms that the Company will provide for the Shareholders to apply on the basis that if the Rights Shares are not fully taken up, the application of any Shareholder (except for HKSCC Nominees Limited) for his/her/its assured entitlement under the Rights Issue will be scaled down to a level which (a) does not trigger an obligation on the part of the relevant Shareholder to make a general offer under the Takeovers Code; and (b) does not result in noncompliance with the public float requirement under Rule 17.37B of the GEM Listing Rules, in accordance with the note to Rule 10.26(2) of the GEM Listing Rules.

**The Subscription Price**

The Subscription Price is HK$0.20 per Rights Share, payable in full upon acceptance of the relevant provisional allotment of Rights Shares and, where applicable, when a renouncee of any provisional allotment of the Rights Shares or a transferee of nil-paid Rights Shares applies for the Rights Shares.

The Subscription Price represents:

(i) a discount of approximately 5.66% to the closing price of HK$0.212 per Existing Share as quoted on the Stock Exchange on the Latest Practicable Date;

(ii) a discount of approximately 4.76% to the closing price of HK$0.210 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;

(iii) a discount of approximately 4.76% to the average closing price of HK$0.210 per Existing Share as quoted on the Stock Exchange for the last five (5) consecutive trading days up to and including the Last Trading Day;

(iv) a discount of approximately 8.26% to the average closing price of approximately HK$0.218 per Existing Share as quoted on the Stock Exchange for the last ten (10) consecutive trading days up to and including the Last Trading Day;

(v) a discount of approximately 1.23% to the theoretical ex-rights price of approximately HK$0.2025 per Share based on the closing price of HK$0.210 per Existing Share as quoted on the Stock Exchange on the Last Trading Day;

(vi) no comparison of the Subscription Price against the net asset value per Share is presented, as the Group recorded audited consolidated net liabilities attributable to owners of the Company of approximately RMB58.3 million as at 31 December 2025 and unaudited consolidated net liabilities attributable to owners of the Company of approximately RMB61.1 million as at 30 June 2026; and

(vii) a theoretical dilution effect (as defined under Rule 10.44A of the GEM Listing Rules) represented by a discount of approximately 3.57% of the theoretical diluted price of approximately HK$0.2025 per Share to the benchmarked price of approximately HK$0.210 per Share (as defined under Rule 10.44A of the GEM Listing Rules), taking into account the higher of the closing price of HK$0.210 per Existing Share on the Last Trading Day and the average closing price of the Shares as quoted on the Stock Exchange for the five (5) previous consecutive trading days prior to the date of the Announcement.

The Subscription Price was determined by the Company with reference to, among other things, the following factors.

***(i) the prevailing market price of the Existing Shares***

The closing price per Share experienced a significant downturn in the last month up to and including the Last Trading Day, declining from a closing price of HK$0.305 per Share on 9 June 2026 to a closing price of HK$0.210 per Share on the Last Trading Day, representing a drop of approximately 31.15%.

In the last five (5) consecutive trading days up to and including the Last Trading Day, the average closing price per Share was HK$0.210, to which the Subscription Price represents a slight discount of approximately 4.76%.

***(ii) the low liquidity of the Existing Shares***

During the one-year period up to and including the Last Trading Day, the percentage of average daily trading volume to the total number of Shares was no more than 0.3%, indicating that the trading activity of the Shares remained at a considerably low level throughout the year.

In the last month up to and including the Last Trading Day, there were 13 trading days on which zero trading volume was recorded.

***(iii) the latest business performance and financial position of the Group***

The details set out in the section headed "REASONS FOR THE RIGHTS ISSUE, THE PLACING AND USE OF PROCEEDS" in this Prospectus.

***(iv) the reasons for the Rights Issue***

The details set out in the section headed "REASONS FOR THE RIGHTS ISSUE, THE PLACING AND USE OF PROCEEDS" in this Prospectus.

Having regard to, among other things, the above factors, the Board considers that the Subscription Price, which represents a slight discount to the prevailing market price, is fair and reasonable and attractive to the Qualifying Shareholders in the Rights Issue, encouraging a higher participation rate.

All Qualifying Shareholders are entitled to subscribe for the Rights Shares at the same price in proportion to his/her/its existing shareholding in the Company held on the Record Date so as to maintain their proportionate interests in the Company and participate in the future growth of the Group.

The public float requirements under the GEM Listing Rules shall be fulfilled by the Company at all times. The Company will take all appropriate steps to ensure that sufficient public float be maintained at all times in compliance with Rule 17.37B of the GEM Listing Rules.

The Board considers that, despite any potential dilution impact of the Rights Issue on the shareholding interests of the Shareholders, the terms and structure of the Rights Issue are fair and reasonable and in the interests of the Company and the Shareholders as a whole, after taking into account the following factors: (i) the Qualifying Shareholders who do not wish to take up their provisional entitlements under the Rights Issue are able to sell the nil paid rights in the market; (ii) the Qualifying Shareholders who choose to accept their provisional entitlements in full can maintain their respective existing shareholding interests in the Company after the Rights Issue; (iii) the Rights Issue allows the Qualifying Shareholders an opportunity to subscribe for their pro-rata Rights Shares for the purpose of maintaining their respective existing shareholding interests in the Company at a relatively low price as compared to the recent market price of the Shares; and (iv) the discount of the Subscription Price to the current market price will encourage them to participate in the Rights Issue.

Qualifying Shareholders who do not take up the Rights Shares to which they are entitled should note that their shareholdings in the Company will be diluted upon completion of the Rights Issue. The possible maximum dilution to shareholdings of those Qualifying Shareholders who do not subscribe to the Rights Issue is approximately 75%. The theoretical dilution effect of the Rights Issue is approximately 3.57% which is below 25% as required under Rule 10.44A of the GEM Listing Rules.

**Conditions of the Rights Issue**

The Rights Issue is conditional upon each of the following conditions being fulfilled:

(i) the passing by more than 50% of the votes cast by the Independent Shareholders by way of poll of all necessary resolutions proposed at the EGM for the transactions contemplated under the Rights Issue to be effective in compliance with the GEM Listing Rules, including but not limited to approving, confirming and/or ratifying the Rights Issue, the Placing Agreement and the Compensatory Arrangements, including the allotment and issue of the Rights Shares in their nil-paid and fully-paid forms. This condition was fulfilled at the EGM held on 2 September 2026;

(ii) the Placing Agreement not being terminated pursuant to the terms thereof and remain in full force and effect;

(iii) the GEM Listing Committee of the Stock Exchange granting or agreeing to grant and not having withdrawn or revoked the listing of, and permission to deal in, all the Rights Shares (in their nil-paid and fully-paid forms);

(iv) the electronic delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively, one copy of each of the Prospectus Documents duly signed by two Directors (or by their agents duly authorised in writing) as having been approved by resolutions of the Directors (and all other documents required to be attached thereto) in compliance with the Companies (WUMP) Ordinance, the Companies Ordinance and the GEM Listing Rules by no later than the Prospectus Posting Date;

(v) the delivery of the Prospectus Documents to the Stock Exchange and the issue by the Stock Exchange on or before the Prospectus Posting Date of a certificate authorising registration of the Prospectus Documents with the Registrar of Companies in Hong Kong;

(vi) following registration, the posting of the Prospectus Documents to Qualifying Shareholders, the posting of the Prospectus and the Overseas Letter to the Excluded Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Rights Issue, and the publication of the Prospectus Documents on the website of the Stock Exchange on or before the Prospectus Posting Date; and

(vii) all other necessary consent and approvals (if required) from the relevant regulatory authorities for the Rights Issue and the transaction contemplated thereunder having been obtained and fulfilled.

The Company shall use all reasonable endeavours to procure the fulfilment of all the above conditions by the respective dates specified above or, where no date is specified, by the Long Stop Date (or such later date as the Company may determine and announce).

None of the above conditions precedent can be waived. If any of the above conditions are not satisfied by the respective dates set out above (or such later date as the Company may determine), the Rights Issue will not proceed.

As the proposed Rights Issue is subject to the above conditions, it may or may not proceed.

**Basis of provisional allotments**

The basis of the provisional allotment shall be three (3) Rights Shares (in nil-paid form) for every one (1) Share held by the Qualifying Shareholders as at close of business on the Record Date. There will be no excess application arrangements in relation to the Rights Issue.

The PAL relating to the Rights Shares in printed form is enclosed with this Prospectus entitling the Qualifying Shareholders to whom it is addressed to subscribe for the Rights Shares as shown therein. Application for all or any part of a Qualifying Shareholder's provisional allotment should be made by lodging a duly completed PAL and a cheque or a banker's cashier order for the sum payable for the Rights Shares being applied for with the Registrar on or before the Latest Time for Acceptance.

**Qualifying Shareholders**

The Rights Issue is only available to the Qualifying Shareholders. To qualify for the Rights Issue, a Shareholder must be registered as a member of the Company at the close of business on the Record Date and not be an Excluded Shareholder.

The Qualifying Shareholders who take up their pro-rata entitlement in full will not experience any dilution to their interests in the Company. **If a Qualifying Shareholder does not take up any of his/her/its entitlement in full under the Rights Issue, his/her/its proportionate shareholding in the Company will be diluted.**

**Rights of Overseas Shareholders**

As at the Latest Practicable Date, based on the register of members of the Company, there is one Overseas Shareholder with registered address located in the PRC, who is interested in 1,022,500 Shares, representing 1.92% of the total issued share capital of the Company (the "**PRC Shareholder**").

The Prospectus Documents are not intended to be registered under the applicable securities legislation of any jurisdiction other than Hong Kong.

The Directors have, in compliance with Rule 17.41(1) of the GEM Listing Rules, made enquiries regarding the legal restrictions under the laws of the above-mentioned places and the requirements of the relevant regulatory bodies or stock exchange.

The Company has been advised by the legal adviser in the PRC that, under the applicable legislations of the PRC, there is (i) no legal restriction or requirement of any regulatory body or stock exchange with respect to extending the Rights Issue to the Overseas Shareholders in the PRC; and (ii) in relation to the Rights Issue, there is no requirement under the relevant applicable legislations of the PRC requiring the prior approval and/or registration of the Prospectus with the relevant regulatory authorities under the applicable laws of the PRC. Accordingly, the Rights Issue is extended to the Overseas Shareholders having registered addresses in the PRC, and such Overseas Shareholders are regarded as the Qualifying Shareholders.

Save for the abovementioned Overseas Shareholder whose registered address is in the PRC, there were no other Overseas Shareholders based on the register of members of the Company as at the Latest Practicable Date. As the register of members of the Company had already been closed as at the Latest Practicable Date and would remain closed up to the Record Date, there would be no additional Overseas Shareholder and hence no Excluded Shareholder on the Record Date.

**It is the responsibility of each Overseas Shareholder who wishes to take part in the Rights Issue to satisfy himself/herself/itself as to the full observance of the laws and regulations of the relevant territories and jurisdictions in that connection, including the obtaining of any governmental or other consents which may be required or the compliance with other necessary formalities or legal requirements. The Rights Issue does not constitute any offer or invitation to sell, issue or solicit for Shares in any jurisdiction in which such actions are unlawful or otherwise restricted.**

**The Company reserves the right to treat as invalid any acceptance of or applications for Rights Shares where it believes that such acceptance or application would violate the applicable securities or other laws or regulations of any territory or jurisdiction. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their own professional advisers.**

**Status of the Rights Shares**

The Rights Shares, when allotted and fully paid or credited as fully paid and issued, will rank *pari passu* in all respects among themselves and with the Shares then in issue. Holders of fully-paid Rights Shares will be entitled to receive all future dividends and distributions which may be declared, made or paid on or after the date of allotment and issue of the Rights Shares in their fully-paid form.

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy or any other applicable fees and charges in Hong Kong.

**Fractions of the Rights Shares**

On the basis of provisional allotment of three (3) Rights Shares for every one (1) Share held by the Qualifying Shareholders on the Record Date, no fractional entitlements to the Rights Shares will arise under the Rights Issue.

**Procedures for acceptance and payment or transfer**

A PAL is enclosed with this Prospectus which entitles the Qualifying Shareholder(s) to whom it is addressed to subscribe for the number of Rights Shares shown therein. If a Qualifying Shareholder wishes to accept all the Rights Shares provisionally allotted to him/her/it as specified in the PAL, he/she/it must lodge the PAL in accordance with the instructions printed thereon, together with a remittance for the full amount payable on acceptance with the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, by not later than 4:00 p.m. on Tuesday, 29 September 2026. All remittances must be made in Hong Kong dollars by cheques which must be drawn on an account with, or by cashier's orders which must be issued by, a licensed bank in Hong Kong and made payable to "TRICOR INVESTOR SERVICES LIMITED – CLIENT A/C NO. 119" and crossed "**ACCOUNT PAYEE ONLY**". It should be noted that unless the PAL, together with the appropriate remittance, have been lodged with the Registrar by not later than 4:00 p.m. on Tuesday, 29 September 2026, whether by the original allottee or any person in whose favour the rights have been validly transferred, that provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled. The Company may, at its sole discretion, treat a PAL as valid and binding on the person(s) by whom or on whose behalf it is lodged even if the PAL is not completed in accordance with the relevant instructions. The Company may require such incomplete PAL to be completed by the relevant applicants at a later stage.

If a Qualifying Shareholder wishes to accept only part of his/her/its provisional allotment or transfer part of his/her/its rights to subscribe for the Rights Shares provisionally allotted to him/her/it under the PAL or to transfer part or all of his/her/its rights to more than one person, the entire PAL must be surrendered and lodged for cancellation by not later than 4:30 p.m. on Monday, 21 September 2026 to the Registrar, who will cancel the original PAL and issue new PALs in the denominations required which will be available for collection from the Registrar at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong, after 9:00 a.m. on the second Business Day after the surrender of the original PAL.

The PAL contains further information regarding the procedures to be followed for acceptance and/or transfer of the whole or part of the provisional allotment of the Rights Shares by the Qualifying Shareholders. All cheques or cashier's orders will be presented for payment following receipt and all interest earned on such monies will be retained for the benefit of the Company. Completion and return of the PAL with a cheque or a cashier's order, whether by a Qualifying Shareholder or by any nominated transferee(s), will constitute a warranty by the applicant that the cheque or the cashier's order will be honoured on first presentation. Without prejudice to the other rights of the Company in respect thereof, the Company reserves the right to reject any PAL in respect of which the cheque or cashier's order is dishonoured on first presentation, and in that event the provisional allotment and all rights thereunder will be deemed to have been declined and will be cancelled.

If the conditions of the Rights Issue as set out in the section headed "Conditions of the Rights Issue" hereinabove are not fulfilled, the monies received in respect of acceptances of the Rights Shares will be returned to the Qualifying Shareholders or such other persons to whom the Rights Shares in their nil-paid form have been validly transferred or, in the case of joint acceptances, to the first-named person without interest, by means of cheques despatched by ordinary post at the risk of such Qualifying Shareholders to their registered addresses by the Registrar on or before Tuesday, 20 October 2026.

No receipt will be issued in respect of any application monies received.

**Actions to be taken by beneficial owners holding Shares through CCASS**

For beneficial owners whose Shares are deposited in CCASS and registered in the name of HKSCC Nominees Limited, if they wish to subscribe for the Rights Shares provisionally allotted to them, or sell their nil-paid Rights Shares or "split" their nil-paid Rights Shares by accepting part of their provisional allotment and selling/transferring the remaining part, they should contact their Intermediary and provide their Intermediary with instructions or make arrangements with their Intermediary in relation to the acceptance, transfer and/or "splitting" of the rights to subscribe for the Rights Shares which have been provisionally allotted to them in respect of the Shares in which they are beneficially interested. Such instructions and the relevant arrangements should be given or made in advance of the relevant dates stated in the section headed "Expected Timetable" in this Prospectus and otherwise in accordance with the requirements of their Intermediary in order to allow their Intermediary sufficient time to ensure that their instructions are given effect. The procedures for acceptance, transfer and/or "splitting" in these cases shall be in accordance with the General Rules of HKSCC, HKSCC Operational Procedures and any other applicable requirements of CCASS.

**Procedures in respect of the Unsubscribed Rights Shares and the ES Unsold Rights Shares, and the Compensatory Arrangements**

Pursuant to Rule 10.31(1)(b) of the GEM Listing Rules, the Company must make arrangements to dispose of the Unsubscribed Rights Shares and the ES Unsold Rights Shares by offering the Unsubscribed Rights Shares and the ES Unsold Rights Shares to independent placees for the benefit of the Shareholders to whom they were offered by way of the rights. There will be no excess application arrangements in relation to the Rights Issue as stipulated under Rule 10.31(1)(a) of the GEM Listing Rules.

The Company therefore appointed the Placing Agent to place the Unsubscribed Rights Shares and the ES Unsold Rights Shares after the Latest Time for Acceptance to independent placees on a best effort basis, and any premium over the Subscription Price for those Rights Shares that is realised will be paid to the No Action Shareholders and Excluded Shareholders on a pro-rata basis. The Placing Agent will, on a best effort basis, procure, by not later than 4:00 p.m. on Monday, 12 October 2026, acquirers for all (or as many as possible) of those Unsubscribed Rights Shares and the ES Unsold Rights Shares at a price not less than the Subscription Price.

Net Gain (if any) will be paid (without interest) on pro-rata basis (on the basis of all Unsubscribed Rights Shares and ES Unsold Rights Shares) to the No Action Shareholders and the Excluded Shareholders (but rounded down to the nearest cent) as set out below:

(i) where the nil-paid rights are, at the time they lapse, represented by a PAL, to the person whose name and address appeared on the PAL (unless that person is covered by (iii) below), by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for;

(ii) where the nil-paid rights are, at the time they lapse, registered in the name of HKSCC Nominees Limited, to the beneficial holders (via their respective CCASS participants) as the holder of those nil-paid rights in CCASS (unless that person is covered by (iii) below), by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; or

(iii) if the Rights Issue is extended to the Overseas Shareholders (if any) and where an entitlement to the Rights Shares was not taken up by such Overseas Shareholders, by reference to the extent that Shares in his/her/its nil-paid rights are not validly applied for; and

(iv) in respect of the Excluded Shareholders (if any), by reference to their shareholdings in the Company on the Record Date.

It is proposed that Net Gain to any of the No Action Shareholder(s) or Excluded Shareholder(s) mentioned in (i) to (iv) above which is in an amount of HK$100 or more will be paid to them in Hong Kong dollars only and the Company will retain individual amounts of less than HK$100 for its own benefit. No Action Shareholders and the Excluded Shareholders may or may not receive any Net Gain.

**THE PLACING AGREEMENT**

On 9 July 2026 (after trading hours), the Company and the Placing Agent entered into the Placing Agreement, pursuant to which the Placing Agent has conditionally agreed to procure the Placee(s), on a best effort basis, to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares.

As a result of the revisions to the expected timetable of the Rights Issue and the transactions contemplated thereunder as set out in the announcement of the Company dated 5 August 2026, the Company and the Placing Agent entered into the Supplemental Placing Agreement on 5 August 2026, to reflect the changes of the relevant dates of the Rights Issue and the transactions contemplated thereunder as referred to in the Placing Agreement.

Details of the Placing Agreement (as supplemented by the Supplemental Placing Agreement) are as follows:

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| Date | : | 9 July 2026 (the Placing Agreement); and 5 August 2026 (the Supplemental Placing Agreement) |
| Issuer | : | the Company |

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| 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, was appointed as the Placing Agent to procure, on a best effort basis, the Placees to subscribe for the Unsubscribed Rights Shares and the ES Unsold Rights Shares during the Placing Period.<br><br>The Placing Agent confirmed that it and its ultimate beneficial owner(s) are Independent Third Parties. |
| Placing Period | : | The period commencing from Wednesday, 7 October 2026 and ending at 4:00 p.m. on Monday, 12 October 2026. |
| Placing price of the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares (as the case may be) | : | The placing price of the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares shall be not less than the Subscription Price.<br><br>The final price determination depends on the demand and market conditions of the Unsubscribed Rights Shares and/or the ES Unsold Rights Shares during the process of placement. |
| Commission | : | 3.0% 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 the Placing Agreement.<br><br>The commission is not payable by the Company to the Placing Agent if the Placing Agreement has not become unconditional or is otherwise terminated in accordance with its terms. |

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| Placees | : | The Unsubscribed Rights Shares and the ES Unsold Rights Shares are expected to be placed to the Placee(s) who and whose ultimate beneficial owner(s) shall not be the Shareholder(s) and shall be the Independent Third Party(ies). None of the Placees will, together with any party acting in concert with it, become a substantial shareholder (as defined under the GEM Listing Rules) of the Company immediately upon completion of the Placing.<br><br>The Placing Agent will use its best endeavour to procure that (i) the Placing will not have any implications under the Takeovers Code and no Shareholder will be under any obligation to make a general offer under the Takeovers Code as a result of the Placing; and (ii) the Company will continue to comply with the public float requirement under Rule 17.37B of the GEM Listing Rules upon completion of the Placing and the Rights Issue. |
| Ranking of Unsubscribed Rights Shares and the ES Unsold Rights Shares | : | Unsubscribed Rights Shares and the ES Unsold Rights Shares (when placed, allotted, issued and fully paid) shall rank *pari passu* in all respects among themselves and with the Shares then in issue. |
| Conditions Precedent | : | The obligations of the Placing Agent and the Company under the Placing Agreement are conditional upon, among others, the following conditions being fulfilled (or being waived by the Placing Agent in writing, if applicable):<br><br>(i) the passing by the Shareholders (including the Independent Shareholders) at the EGM of the necessary resolutions to approve the Rights Issue;<br><br>(ii) the GEM Listing Committee of the Stock Exchange having granted the listing of, and the permission to deal in, the Rights Shares; |

(iii) none of the representations, warranties or undertakings contained in the Placing 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 if it was repeated as at the time of completion; and

(iv) the Placing Agreement not having been terminated in accordance with the provisions thereof.

The Placing Agent may, in its absolute discretion, waive the fulfilment of all or any part of the conditions precedent to the Placing Agreement (other than those set out in paragraphs (i) and (ii) above) by notice in writing to the Company.

If any of the conditions precedent to the Placing Agreement have not been fulfilled by the Long Stop Date or become incapable of being fulfilled (subject to the Placing Agent not exercising its rights to waive or extend the time for fulfilment of such conditions), then the Placing will lapse and all rights, obligations and 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.

As of the Latest Practicable Date, save for condition (ii), the other conditions precedent have been satisfied.

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| Termination | : | The Placing Arrangement shall end on Monday, 12 October 2026 or any other date by mutual written agreement between the Placing Agent and the Company.<br><br>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. |
| 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. |

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| | | The Company shall use its best endeavours to procure the fulfilment of such conditions precedent to the Placing Agreement by the Long Stop Date. If any of the conditions precedent to the Placing Agreement have not been fulfilled by the Long Stop Date or become incapable of being fulfilled (subject to the Placing Agent not exercising its rights to waive or extend the time for fulfilment of such conditions), then the Placing will lapse and all rights, obligations and 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. |
| Public float | : | The Placing Agent shall ensure that the minimum public float requirement under the GEM Listing Rules be fulfilled by the Company upon completion of the Rights Issue. |

The engagement between the Company and the Placing Agent for the Unsubscribed Rights Shares and ES Unsold Rights Shares (including the commission payable) was determined after arm's length negotiation between the Company and the Placing Agent and is on normal commercial terms with reference to the market comparables, the existing financial position of the Group, the size of the Rights Issue, and the current and expected market condition. The Directors consider that the terms of Placing Agreement for the Unsubscribed Rights Shares and ES Unsold Rights Shares (including the commission payable) are on normal commercial terms.

Given that the Compensatory Arrangements would provide (i) a distribution channel of the Unsubscribed Rights Shares and the ES Unsold Rights Shares to the Company; (ii) an additional channel of participation in the Rights Issue for independent Qualifying Shareholders; and (iii) a compensatory mechanism for No Action Shareholders and the Excluded Shareholders, the Directors consider that the Compensatory Arrangements are fair and reasonable and would provide adequate safeguard to protect the interest of the Company's minority Shareholders.

**Odd lot matching services**

In order to facilitate the trading of odd lots of the Shares arising from the Rights Issue, the Placing Agent has been appointed as designated broker by the Company to match the purchase and sale of odd lots of the Shares at the relevant market price per Share. The Placing Agent confirmed that it and its ultimate beneficial owner(s) (i) are not Shareholder; and (ii) they are Independent Third Parties. Holders of the Shares in odd lots represented by valid share certificates for the Shares who wish to take advantage of this facility either to dispose of their odd lots of the Shares or to top up their odd lots to a full board lot, may directly or through their brokers, contact the Placing Agent at (852) 3665 8111 during the period from 9:00 a.m. on Wednesday, 21 October 2026 to 4:00 p.m. on Monday, 9 November 2026 (both days inclusive). Holders of odd lots of Shares should note that successful matching of the sale and purchase of odd lots of Shares is on a best effort basis and not guaranteed. Any Shareholder who is in any doubt about the odd lot arrangement is recommended to consult his/her/its own professional advisers.

**Application for listing of the Rights Shares**

The Company has applied to the GEM Listing Committee of the Stock Exchange for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms to be issued and allotted pursuant to the Rights Issue. The nil-paid and fully-paid Rights Shares shall have the board lot size of 10,000 Shares in one board lot. No part of the share capital of the Company is listed or dealt in and no listing or permission to deal in is being or is proposed to be sought on any other stock exchange.

**Rights Shares will be eligible for admission in CCASS**

Subject to the granting of the approval for the listing of, and permission to deal in, the Rights Shares in both their nil-paid and fully-paid forms on the Stock Exchange as well as compliance with the stock admission requirements of HKSCC, the Rights Shares in both their nil-paid and fully-paid forms will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from their respective commencement dates of dealings on the Stock Exchange or such other dates as determined by HKSCC.

Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of HKSCC and HKSCC Operational Procedures in effect from time to time. Shareholders should seek advice from their stockbrokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

**Stamp duty and other applicable fees**

Dealings in the Rights Shares in both their nil-paid and fully-paid forms will be subject to the payment of stamp duty, Stock Exchange trading fee, SFC transaction levy, AFRC transaction levy or any other applicable fees and charges in Hong Kong.

**Taxation**

Shareholders are advised to consult their professional advisers if they are in any doubt as to the taxation implications of the receipt, purchase, holding, exercising, disposing of or dealing in, the nil-paid Rights Shares or the Rights Shares and, regarding the Excluded Shareholders, their receipt of the net proceeds, if any, from sale of the nil-paid Rights Shares on their behalf.

**Share certificates and refund cheques for the Rights Issue**

Subject to fulfilment of the conditions of the Rights Issue, share certificates for the fully-paid Rights Shares are expected to be posted on or before Tuesday, 20 October 2026 to those entitled thereto at their registered addresses by ordinary post at their own risk. Each Shareholder will receive one share certificate for all allotted Rights Shares. If the Rights Issue does not become unconditional, refund cheques without interest are expected to be posted on or before Tuesday, 20 October 2026 by ordinary post to the respective applicants, at their own risk, to their registered addresses.

**WARNING OF THE RISKS OF DEALING IN THE SHARES AND/OR THE NIL-PAID RIGHTS SHARES**

**The Rights Issue is subject to the fulfilment of conditions including, among other things, the Stock Exchange granting the listing of, and permission to deal in, the Rights Shares in their nil-paid and fully-paid forms. Please refer to the section headed "Conditions of the Rights Issue" in this Prospectus.**

**Shareholders and potential investors of the Company should note that each of the Rights Issue and the Placing is subject to the fulfilment of certain conditions. If any of the conditions of the Rights Issue and/or the Placing are not fulfilled, the Rights Issue and/or the Placing will not proceed.**

**Subject to the fulfilment of the conditions of the Rights Issue, the Rights Issue will proceed on a non-underwritten basis irrespective of the level of acceptances of the provisionally allotted Rights Shares. Accordingly, if the Rights Issue is undersubscribed, the size of the Rights Issue will be reduced. Qualifying Shareholders who do not take up their assured entitlements in full and Excluded Shareholders, if any, should note that their shareholdings in the Company may be diluted, the extent of which will depend in part on the size of the Rights Issue.**

**Any Shareholder or other person contemplating transferring, selling, or purchasing Shares is advised to exercise caution when dealing in the Shares and/or the nil-paid Rights Shares. Any person who is in any doubt about his/her/its position or any action to be taken is recommended to consult his/her/its own professional adviser(s).**

**Any Shareholder or other person dealing in the Shares and/or the nil-paid Rights Shares up to the date on which all the conditions to which the Rights Issue is subject are fulfilled or the Long Stop Date will accordingly bear the risk that the Rights Issue and/or the Placing may not proceed.**

## REASONS FOR THE RIGHTS ISSUE, THE PLACING AND USE OF PROCEEDS

The Group is principally engaged in the manufacturing and sales of packaging products, provision of customised packaging service and retail sales of products, including but not limited to daily necessities and food products, all of which are conducted in the PRC and in Hong Kong.

Having reviewed the latest audited consolidated financial statements of the Company for the year ended 31 December 2025, the Directors note that:

(i) for the year ended 31 December 2025, the Group recorded net cash outflows of approximately RMB43.6 million from operating activities as compared to net cash inflows of approximately RMB9.1 million from operating activities for the year ended 31 December 2024;

(ii) as at 31 December 2025, the Group's bond payables and borrowings were approximately RMB83.6 million as compared to approximately RMB74.6 million as at 31 December 2024;

(iii) as at 31 December 2025, the Group's bank balances and cash in general accounts amounted to approximately RMB1.9 million compared to approximately RMB4.1 million as at 31 December 2024; and

(iv) as at 31 December 2025, the Group recorded net liabilities attributable to owners of the Company of approximately RMB58.3 million, and the independent auditor's report on the consolidated financial statements of the Group for the year ended 31 December 2025, while expressing an unmodified opinion, included a paragraph on material uncertainty related to going concern.

In view of the financial conditions and performance of the Group and the imminent need of capital, the Directors consider that the Rights Issue represents a good opportunity to raise capital to repay its bond payables and borrowings and replenish its working capital. As disclosed in the annual report of the Company for the year ended 31 December 2025, bonds payables and borrowings of the Group amounted to approximately RMB83.6 million as at 31 December 2025, of which interest-bearing bonds of the Group amounted to approximately RMB9.0 million (with an aggregate principal amount of HK$10.0 million), with the remaining balance being unsecured borrowings of approximately RMB74.6 million. As the Company recently received a demand notice from the bondholder for early repayment of the bond and a demand notice for the unsecured borrowings of HK$10 million, the Company currently intends to repay the outstanding bonds in full as soon as practicable following the completion of the Rights Issue and the Placing and after liaising with the relevant bond holder and creditor.

It is estimated that the Company will raise up to HK$32 million from the Rights Issue and the relevant expenses would be approximately HK$1.3 million, which includes placing commission and professional fees payable to financial advisers, legal advisers, financial printer and other parties involved in the Rights Issue. The estimated maximum net proceeds from the Rights Issue will accordingly be approximately HK$30.7 million (equivalent to a net price of approximately HK$0.192 per Rights Share). In line with the aforesaid business objectives, the Company intends to utilise the net proceeds from the Rights Issue as follows:

(i) approximately HK$10.0 million for repayment of the Group's bond payables, which are due on 30 November 2026;

(ii) approximately HK$15.0 million for repayment of borrowings, which are due on 30 November 2026; and

(iii) approximately HK$5.7 million as general working capital of the Group (including but not limited to the payment of rental expenses, salaries, professional fees, and settlement of trade payables).

The Company expects to fully utilise the net proceeds by December 2026.

In the event that there is an undersubscription of the Rights Issue, the net proceeds of the Rights Issue will be utilised in proportion to the above uses, and the Company will settle the remaining balance by internal resources, debt financing and/or bank loans. The Company does not have any concrete plan to conduct any equity fund raising activities in the next 12 months.

The Company has considered other fund-raising alternatives before proceeding with the Rights Issue, including but not limited to debt financing, placing of new Shares and open offer. Debt financing or bank loans would result in additional interest burden to and higher gearing ratio of the Group. Placing of new Shares would only be available to certain placees who were not necessarily the existing Shareholders and would dilute the shareholding of the existing Shareholders in the Company. As for open offer, although it is similar to a rights issue in offering qualifying shareholders to participate, it does not allow free trading of rights entitlements in the open market.

In view of the above, the Board considers that as compared to raising fund by other means, raising funds by way of the Rights Issue, which will allow Qualifying Shareholders to participate in the future development of the Company and at the same time offer more flexibility to the Qualifying Shareholders to choose whether to maintain their respective pro-rata shareholding interests in the Company and dealing with the Shares, is an appropriate fundraising method and is fair, cost effective, efficient and beneficial to the Company and its shareholders as a whole.

## FUND RAISING ACTIVITIES INVOLVING ISSUE OF EQUITY SECURITIES IN THE PAST 12 MONTHS

The Company has not conducted any equity fund raising activities involving issue of its equity securities in the past 12 months immediately preceding the Latest Practicable Date.

## CHANGE IN SHAREHOLDING STRUCTURE OF THE COMPANY

Set out below is the shareholding structure of the Company, assuming no further change in the number of issued Shares before completion of the Rights Issue other than the allotment and issue of the Rights Shares, (i) as at the Latest Practicable Date; (ii) upon the completion of the Rights Issue assuming full acceptance of the Rights Shares by all Qualifying Shareholders under Rights Issue; and (iii) upon the completion of the Rights Issue assuming (a) no subscription by the Qualifying Shareholders; and (b) all Placing Shares are placed to Independent Third Parties under the Placing:

| Shareholders | As at the Latest Practicable Date | | Upon the completion of the Rights Issue assuming full acceptance by all Qualifying Shareholders under Rights Issue | | Upon the completion of the Rights Issue assuming (a) no subscription by the Qualifying Shareholders; and (b) all the Placing Shares are placed to Independent Third Parties under the Placing | |
|---|---|---|---|---|---|---|
| | *No. of issued shares* | *%* | *No. of issued shares* | *%* | *No. of issued shares* | *%* |
| Public shareholders | 53,333,333 | 100 | 213,333,332 | 100 | 53,333,333 | 25 |
| Placees | – | – | – | – | 159,999,999 | 75 |
| Total | 53,333,333 | 100 | 213,333,332 | 100 | 213,333,332 | 100 |

*Note:* No Placee will, together with any party acting in concert with it, hold 10% or more of the voting rights of the Company immediately upon completion of the Placing, and the Placing Shares placed to the Placee(s), being Independent Third Parties, will be counted towards the public float of the Company.

Shareholders and public investors should note that the above shareholding changes are for illustration purposes only and the actual changes in the shareholding structure of the Company upon completion of the Rights Issue are subject to various factors, including the results of acceptance of the Rights Issue.

## LISTING RULES IMPLICATIONS

In accordance with Rule 10.29(1) of the GEM Listing Rules, as the Rights Issue will increase the total number of issued Shares or the market capitalisation of the Company by more than 50% within the 12-month period immediately preceding the date of the Announcement, the Rights Issue must be made conditional on approval by the Independent Shareholders at the EGM, and any controlling shareholders of the Company and their respective associates, or where there are no controlling shareholders, the Directors (excluding the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolutions relating to the Rights Issue at the EGM. As at the date when the EGM was held i.e. 2 September 2026, the Company had no controlling Shareholder and none of the Directors and their respective associates held any Share. Accordingly, no Shareholder was required to abstain from voting in favour of the proposed resolution approving the Rights Issue at the EGM.

At the EGM held on 2 September 2026, the proposed resolution for approving the Rights Issue, the Placing and the transactions contemplated thereunder was duly approved by the Independent Shareholders, details of which were disclosed in the poll results announcement of the Company dated 2 September 2026.

The Company has not conducted any rights issue, open offer or specific mandate placings within the 12-month period immediately preceding the date of the Announcement, or prior to such 12-month period where dealing in respect of the Existing Shares issued pursuant thereto commenced within such 12-month period, nor has it issued any bonus securities, warrants or other convertible securities as part of any rights issue, open offer and/or specific mandate placings within such 12-month period.

The Rights Issue will not result in a theoretical dilution effect of 25% or more. As such, the theoretical dilution impact of the Rights Issue is in compliance with Rule 10.44A of the GEM Listing Rules.

## ADDITIONAL INFORMATION

Your attention is also drawn to the additional information set out in the appendices to this Prospectus.

By order of the Board
**Hong Kong Entertainment International Holdings Limited**
**Wang Yun**
*Executive Director*

## A. FINANCIAL INFORMATION OF THE GROUP

The consolidated financial statements of the Group for each of the three years ended 31 December 2023, 2024 and 2025 and the six months ended 30 June 2026 are disclosed in the following documents which have been published on the websites of the Stock Exchange (https://www.hkexnews.hk/) and the Company (https://www.irasia.com/listco/hk/hkentertainment/), respectively:

(i) the audited consolidated financial statements of the Group for the year ended 31 December 2023 are disclosed in the annual report of the Company for the year ended 31 December 2023 published on 30 April 2024, from pages 61 to 119 (https://www1.hkexnews.hk/listedco/listconews/gem/2024/0430/2024043001052.pdf);

(ii) the audited consolidated financial statements of the Group for the year ended 31 December 2024 are disclosed in the annual report of the Company for the year ended 31 December 2024 published on 30 April 2025, from pages 59 to 119 (https://www1.hkexnews.hk/listedco/listconews/gem/2025/0430/2025043001758.pdf);

(iii) the audited consolidated financial statements of the Group for the year ended 31 December 2025 are disclosed in the annual report of the Company for the year ended 31 December 2025 published on 30 April 2026, from pages 69 to 133 (https://www1.hkexnews.hk/listedco/listconews/gem/2026/0430/2026043002194.pdf); and

(iv) the unaudited consolidated interim financial information of the Group for the six months ended 30 June 2026 are disclosed in the interim report of the Company for the six months ended 30 June 2026 published on 28 August 2026 (the "**2026 Interim Report**"), from pages 5 to 30 (https://www1.hkexnews.hk/listedco/listconews/gem/2026/0828/2026082801886.pdf).

## B. STATEMENT OF INDEBTEDNESS

At the close of business on 31 July 2026, being the latest practicable date for this statement of indebtedness prior to the printing of this Prospectus, the indebtedness of the Group is as follows:

### Borrowings

As at 31 July 2026, the Group has outstanding borrowings from an independent third party not connected with the Group of approximately RMB74,573,000, which are non-trade in nature, unsecured, unguaranteed, carried interest rate of 4.3% per annum.

**Bond payables**

As at 31 July 2026, the Group has total outstanding bond payables with aggregate principal amount of HK$10,000,000, equivalent to approximately RMB8,606,000, and total interest payables of approximately HK$435,000, equivalent to approximately RMB374,000, from an independent third party not connected with the Group. The above-mentioned bond payables and related interest payables are non-trade in nature, unsecured, unguaranteed, carried interest rate of 6.5% per annum and repayable on demand.

**Mortgages, charges and pledges**

As at 31 July 2026, the Group does not have any mortgages, charges and pledges over the Group's assets.

**Provision and contingent liabilities**

As at 31 July 2026, the Group does not have any provision and contingent liabilities to be recognised or disclosed.

Save as disclosed and apart from intra-group liabilities and normal trade and other payables in the ordinary course of business of the Group, as at 31 July 2026, being the latest practicable date for the purpose of this statement of indebtedness prior to the printing of this Prospectus, the Group did not have any other debt securities issued and outstanding, or authorised or otherwise created but unissued, term loans, bank overdrafts, liabilities under acceptances (other than normal trade bills) or acceptance credits, other loans or similar indebtedness, lease liabilities, debentures, mortgages and charges, hire purchase commitments, which are either guaranteed or unguaranteed, secured or unsecured, or any other material provision, contingent liabilities or guarantees.

The Directors confirmed that there has been no material change in the indebtedness and contingent liabilities of the Group since 31 July 2026 up to the Latest Practicable Date.

For the purpose of the above statement of indebtedness, the foreign currency, HK$, has been translated into RMB at the approximate exchange rate of 1:0.8606 as at 31 July 2026.

## C. WORKING CAPITAL STATEMENT

The Directors, after due and careful consideration, are of the opinion that, after taking into account the estimated net proceeds from the Rights Issue, its presently available financial resources, including funds internally generated from operation and the available facilities, the Group will have sufficient working capital for its operation for at least the next twelve (12) months from the date of this Prospectus.

## D. MATERIAL ADVERSE CHANGE

As at the Latest Practicable Date, the Directors confirmed that, save for the following matters, there had been no material adverse change in the financial or trading position of the Company since 31 December 2025 (being the date to which the latest published audited consolidated financial statements of the Company were made up) up to and including the Latest Practicable Date.

As disclosed in the 2026 Interim Report, the Group recorded a loss attributable to owners of the Company of approximately RMB2.3 million for the six months ended 30 June 2026 (the "**Reporting Period**"), as compared to a loss attributable to owners of the Company of approximately RMB0.1 million for the six months ended 30 June 2025 (the "**Previous Reporting Period**"). The increase was mainly attributable to (i) decrease in realised and unrealised fair value gains of financial assets at fair value through profit or loss to approximately RMB1.5 million during the Reporting Period, compared to approximately RMB2.1 million during the Previous Reporting Period; and (ii) increase of finance costs from approximately RMB0.9 million for the Previous Reporting Period to approximately RMB1.9 million for the Reporting Period.

As at 30 June 2026, the Group's total cash and bank balances were approximately RMB1.0 million, compared to approximately RMB1.9 million as at 31 December 2025. Gearing ratio of the Group, being the total interest-bearing debts over total assets of the Group, increased from approximately 190.2% as at 31 December 2025 to approximately 245.3% as at 30 June 2026. The increase was attributable to a decrease in total assets of the Group from approximately RMB44.0 million as at 31 December 2025 to approximately RMB34.7 million as at 30 June 2026.

## E. FINANCIAL AND TRADING PROSPECTS OF THE GROUP

The Group is principally engaged in the manufacturing and sales of packaging products, the provision of customised packaging services and the retail sale of consumer products – including daily necessities and food products – across the PRC and Hong Kong.

In recent years, rising manufacturing costs and a sluggish macroeconomic environment have posed significant challenges to the manufacturing industry, disrupting the Group's overall growth momentum and business development. For the year ended 31 December 2025, the Group recorded a year-on-year decrease in revenue of approximately 16.8%. This decline was primarily attributable to a drop in the average selling price of the Group's packaging products, alongside softened market demand for both its re-packaging services and retail sales during the year ended 31 December 2025.

Despite the challenging external environment, the Group demonstrated strong resilience by strategically expanding into downstream businesses to diversify its revenue streams and enhance overall operational performance. In 2025, the Group commenced operations in the retail trading sector, offering daily necessities, food products, and other consumer goods. Additionally, the Group introduced value-added services, including customised product re-packaging, to better serve its client. Moving forward, the Group plans to further expand its sales channels to attract new customers and maximize market penetration for its comprehensive product and service portfolio across both PRC and Hong Kong.

To mitigate revenue pressures and optimise the Group's cash flows and liquidity position, the management team remains focused on implementing cost-control strategies. These measures include, but are not limited to, minimising fixed overheads. As a direct result of these efficiency initiatives, the Group recorded a significant decrease in administrative and other expenses by approximately RMB2.3 million, or roughly 33.3%, dropping from approximately RMB6.9 million for the year ended 31 December 2024 to approximately RMB4.6 million for the year ended 31 December 2025. This cost reduction reflects management's agile response in safeguarding the Group's bottom line amidst economic headwinds.

Looking ahead, the Chinese government's intensified policy efforts to stimulate domestic demand – such as consumption subsidies and social welfare enhancements – are expected to gradually revitalise market sentiment. This macroeconomic recovery is anticipated to create fresh growth opportunities for the Group's retail and packaging business segments. Capitalising on these trends, the Group is committed to further consolidating its market presence across a diversified range of packaging materials and customized packaging solutions, while continuously scaling its retail business for daily necessities and food products in both Hong Kong and the PRC.

Leveraging the Group's experienced management team, agile cost structure, and established market reputation, the Group remains highly confident in its ability to navigate current market uncertainties, capture emerging demand, and deliver sustainable, long-term value to its Shareholders.

## F. PRINCIPAL RISKS AND UNCERTAINTIES

The Directors are aware that the Group is exposed to various risks and uncertainties, including the following key areas:

### (i) The Group's business is affected by the general economic environment of the PRC

The customer base of the Group mainly comprised product manufacturers and other manufacturers of packaging products and the retail customers. All the five largest customers are located in the PRC. As such, the business performance is affected by the general economic environment of the PRC which may be affected by various factors beyond the Group's control, including but not limited to GDP growth rate, consumer confidence, levels of inflation, unemployment levels and interest rates. A slowdown in the economy of the PRC may in turn result in decreased demand for the Group's products and ultimately a material adverse effect on the Group's business, financial position and results of operations.

**(ii) The Group's business is reliant on a small number of major customers**

Sales to the Group's five largest customers for the year ended 31 December 2025 accounted for approximately 40.0% of the total revenue. The Group does not enter into any long-term contract with purchase obligations with these customers and cannot assure you these five largest customers will continue to do business with the Group at the same or increased levels or at all. If any of the major customers were to substantially reduce the volume and/or the value of their businesses with the Group and the Group were unable to expand its business with existing customers or attract new customers at desired levels, the Group may experience slower or no growth at all or decrease in revenue, and the Group's business, financial position and results of operations would be materially and adversely affected.

**(iii) The Group's business is reliant on a small number of major suppliers**

Purchases from the Group's five largest suppliers for the year ended 31 December 2025 accounted for approximately 70.9% of the total purchases. Purchases from the largest supplier for the year ended 31 December 2025 accounted for approximately 22.7% of the total purchases. The Group does not enter into long-term contract with purchase obligations with its suppliers. There is no guarantee that the Group will not suffer from any shortage of suppliers in the future. Should any of the major suppliers reduce the volume supplied to the Group, the Group may need to find alternative suppliers on similar sale terms and conditions acceptable. If the Group fail to do so in a timely manner, its production may have to be interrupted, its production costs may increase and the business, financial condition, results of operations and growth prospects may therefore be materially and adversely affected.

**(iv) The Group's business is reliant on key raw materials**

The costs of raw materials mainly represented packaging materials consumed. The Group's ability to pass on such raw material cost increases is, to a large extent, subject to the intensity of market competition and the general economic conditions. In addition, there is no assurance that the Group can continue to secure adequate supplies of the packaging materials at a competitive cost level to meet its production requirements, particularly in periods of high demand. Therefore, the revenue and profitability of the Group may be adversely affected in the event of unsteady supply or price fluctuation of the packaging materials for the production.

**(v) The independent auditor of the Company indicated the existence of a material uncertainty related to going concern**

As disclosed in the annual report of the Company for the year ended 31 December 2025, as at 31 December 2025, the Group had net liabilities of approximately RMB58,304,000. The independent auditor stated that this condition indicated the existence of a material uncertainty which might cast significant doubt on the Group's ability to continue as a going concern. If the Group is unable to obtain other financing resources, funding or improve the operating efficiency, the Group may be unable to continue operating as a going concern.

**(vi) The Group is exposed to currency and remittance risk in respect of its PRC operations**

As the five largest customers of the Group are located in the PRC, the Group receives all of its payments from customers in RMB, which is not a freely convertible currency. The remittance of funds into and out of the PRC is subject to PRC foreign exchange controls and to the approval or registration requirements of the relevant PRC authorities. There is no assurance that the Group will be able to remit funds to or from the PRC when required.

In addition, the Group is therefore exposed to fluctuations in the exchange rate between the RMB and the Hong Kong dollar. Any depreciation of the RMB against the Hong Kong dollar could increase the cost of meeting its Hong Kong dollar-denominated expenses and financial obligations.

## UNAUDITED PRO FORMA STATEMENT OF ADJUSTED CONSOLIDATED NET TANGIBLE LIABILITIES OF THE GROUP

The following unaudited pro forma statement of adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2026 (the "**Unaudited Pro Forma Financial Information**") has been prepared by the Directors in accordance with Appendix D1B.13 and Rule 7.31 of the GEM Listing Rules and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* as issued by the Hong Kong Institute of Certified Public Accountants to illustrate the effect of the Rights Issue on the consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2026, as if the Rights Issue had been completed on 30 June 2026.

The Unaudited Pro Forma Financial Information has been prepared by the Directors for illustrative purpose only, based on the judgements, estimates and assumptions of the Directors, and because of its hypothetical nature, it may not give a true picture of the adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company had the Rights Issue been completed as at 30 June 2026.

The Unaudited Pro Forma Financial Information is prepared based on the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2026, as extracted from the published interim report of the Company for the six months ended 30 June 2026, after incorporating the unaudited pro forma adjustment described in the accompanying notes.

| | Unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2026 | Estimated net proceeds from the Rights Issue | Unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2026 immediately after the completion of the Rights Issue | Unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company per share as at 30 June 2026 | Unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company per share as at 30 June 2026 immediately after the completion of the Rights Issue |
|---|---|---|---|---|---|
| | *RMB'000* | *RMB'000* | *RMB'000* | *RMB* | *RMB* |
| | *(Note 1)* | *(Note 2)* | | *(Note 3)* | *(Note 4)* |
| Based on 159,999,999 Rights Shares to be issued at the Subscription Price of HK$0.20 per Rights Share | (61,070) | 26,438 | (34,632) | (1.15) | (0.16) |

*Notes:*

1. The unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2026 of approximately RMB61,070,000 is the same with the capital deficiency attributable to owners of the Company as at 30 June 2026, as extracted from the unaudited condensed consolidated statement of financial position of the Group as at 30 June 2026 set out in the interim report of the Company for the six months ended 30 June 2026.

2. The estimated net proceeds from the Rights Issue of approximately HK$30,720,000, equivalent to approximately RMB26,438,000, is calculated based on 159,999,999 Rights Shares (assuming no new Shares to be allotted and issued upon the exercise of the 839,781 share options of the Company and no other change in the share capital of the Company on or before the Record Date) to be issued at HK$0.20 each, being HK$32,000,000, equivalent to approximately RMB27,539,000, after deduction of the estimated related expenses of approximately HK$1,280,000, equivalent to approximately RMB1,101,000, which is directly attributable to the Rights Issue, assuming all Rights Shares are being placed by the Placing Agent.

3. The unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company per share as at 30 June 2026 before the completion of the Rights Issue is calculated based on the unaudited consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2026 of approximately RMB61,070,000 divided by 53,333,333 Shares in issue as at 30 June 2026.

4. The unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company per share as at 30 June 2026 immediately after the completion of the Rights Issue is calculated based on the unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company immediately after the completion of the Rights Issue of approximately RMB34,632,000 divided by 213,333,332 Shares, which comprises (i) 53,333,333 Shares in issue as at 30 June 2026; and (ii) 159,999,999 Rights Shares to be issued.

5. Saved as disclosed above, no adjustment has been made to the unaudited pro forma adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company to reflect any trading results or other transactions of the Group entered into subsequent to 30 June 2026.

6. The foreign currency, HK$, has been translated into RMB at the approximate exchange rate of 1:0.8606 for illustrative purpose only. Such translation does not constitute a representation that any amount has been, could have been, or may otherwise be exchanged or converted at the above rate.

*The following is the text of the independent reporting accountants' assurance report received from Jon Gepsom CPA Limited, Certified Public Accountants, the independent reporting accountants of the Company, in respect of the Unaudited Pro Forma Financial Information, prepared for the purpose of incorporation of this Prospectus.*

**INDEPENDENT REPORTING ACCOUNTANTS' ASSURANCE REPORT ON THE COMPILATION OF UNAUDITED PRO FORMA FINANCIAL INFORMATION**

15 September 2026

The Board of Directors
Hong Kong Entertainment International Holdings Limited

Dear Sirs,

We have completed our assurance engagement to report on the compilation of unaudited pro forma financial information of Hong Kong Entertainment International Holdings Limited (the "**Company**") and its subsidiaries (collectively referred to as the "**Group**") by the directors of the Company for illustrative purposes only. The unaudited pro forma financial information consists of the unaudited pro forma statement of adjusted consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2026, and related notes (the "**Unaudited Pro Forma Financial Information**") as set out on pages II-1 and II-3 of Appendix II to the prospectus dated 15 September 2026 issued by the Company (the "**Prospectus**"). The applicable criteria on the basis of which the directors of the Company have compiled the Unaudited Pro Forma Financial Information are described on pages II-1 and II-3 of Appendix II to the Prospectus.

The Unaudited Pro Forma Financial Information has been compiled by the directors of the Company to illustrate the impact of the rights issue on the basis of three rights shares for every one share of the Company held at the close of business on the record date on a non-underwritten basis at a subscription price of HK$0.20 per rights share (the "**Rights Issue**") as if the Rights Issue had been taken place on 30 June 2026. As part of this process, information about the consolidated net tangible liabilities of the Group attributable to owners of the Company as at 30 June 2026 has been extracted by the directors of the Company from the Group's unaudited condensed consolidated statement of financial position as at 30 June 2026, on which no audit or review report has been published.

**Directors' Responsibility for the Unaudited Pro Forma Financial Information**

The directors of the Company are responsible for compiling the Unaudited Pro Forma Financial Information in accordance with Appendix D1B.13 and Rule 7.31 of the Rules Governing the Listing of Securities on GEM of The Stock Exchange of Hong Kong Limited (the "**GEM Listing Rules**") and with reference to Accounting Guideline 7 *Preparation of Pro Forma Financial Information for Inclusion in Investment Circulars* ("**AG 7**") as issued by the Hong Kong Institute of Certified Public Accountants (the "**HKICPA**").

**Our Independence and Quality Management**

We have complied with the independence and other ethical requirement of the *Code of Ethics for Professional Accountants* as issued by the HKICPA, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behavior.

The firm applies Hong Kong Standard on Quality Management 1 *Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements* as issued by the HKICPA, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

**Reporting Accountants' Responsibilities**

Our responsibility is to express an opinion, as required by Rule 7.31(7) of the GEM Listing Rules, on the Unaudited Pro Forma Financial Information and to report our opinion to you. We do not accept any responsibility for any reports previously given by us on any financial information used in the compilation of the Unaudited Pro Forma Financial Information beyond that owed to those to whom those reports were addressed by us at the dates of their issue.

We conducted our engagement in accordance with Hong Kong Standard on Assurance Engagements 3420 *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus* as issued by the HKICPA. This standard requires that the reporting accountants plan and perform procedures to obtain reasonable assurance about whether the directors of the Company have compiled the Unaudited Pro Forma Financial Information in accordance with Appendix D1B.13 and Rule 7.31 of the GEM Listing Rules and with reference to AG 7 as issued by the HKICPA.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the Unaudited Pro Forma Financial Information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the Unaudited Pro Forma Financial Information.

The purpose of the unaudited pro forma financial information included in an investment circular is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the Group as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the Rights Issue at 30 June 2026 would have been as presented.

A reasonable assurance engagement to report on whether the Unaudited Pro Forma Financial Information has been properly compiled on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by the directors of the Company in the compilation of the Unaudited Pro Forma Financial Information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- the related pro forma adjustment gives appropriate effect to those criteria; and

- the Unaudited Pro Forma Financial Information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the reporting accountants' judgement, having regard to the reporting accountants' understanding of the nature of the Group, the event or transaction in respect of which the Unaudited Pro Forma Financial Information has been compiled, and other relevant engagement circumstances.

The engagement also involves evaluating the overall presentation of the Unaudited Pro Forma Financial Information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Opinion**

In our opinion:

(a) the Unaudited Pro Forma Financial Information has been properly compiled by the directors of the Company on the basis stated;

(b) such basis is consistent with the accounting policies of the Group; and

(c) the adjustment is appropriate for the purpose of the Unaudited Pro Forma Financial Information as disclosed pursuant to Rule 7.31(1) of the GEM Listing Rules.

Yours faithfully,

**Jon Gepsom CPA Limited**
*Certified Public Accountants*

Hong Kong

**Lo Ka Ki**
Practising Certificate Number: P06633

## 1. RESPONSIBILITY STATEMENT

This Prospectus, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the GEM Listing Rules for the purpose of giving information with regard to the Company. The Directors having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this Prospectus is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this Prospectus misleading.

## 2. SHARE CAPITAL

The authorised and issued share capital of the Company (i) as at the Latest Practicable Date; (ii) immediately after completion of the Rights Issue (assuming no other change in the number of issued Shares and full acceptance of Rights Shares by all Qualifying Shareholders) are set out as follows:

**(a) As at the Latest Practicable Date**

| | | |
|---|---|---|
| *Authorised:* | | *HK$* |
| 16,666,666,666 | Shares of HK$0.006 each | 100,000,000 |
| *Issued and fully paid:* | | *HK$* |
| 53,333,333 | Shares of HK$0.006 each | 320,000 |

**(b) Immediately upon completion of the Rights Issue (assuming no other change in the number of issued Shares and full acceptance of Rights Shares by all Qualifying Shareholders)**

| | | |
|---|---|---|
| *Authorised:* | | *HK$* |
| 16,666,666,666 | Shares of HK$0.006 each | 100,000,000 |
| *Issued and fully paid:* | | *HK$* |
| 53,333,333 | Shares of HK$0.006 each | 320,000 |
| 159,999,999 | Rights Shares to be allotted and issued under the Rights Issue | 960,000 |
| 213,333,332 | Shares in issue immediately upon completion of the Rights Issue | 1,280,000 |

The Rights Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares then in issue. Holders of the Rights Shares in their fully-paid form will be entitled to receive all future dividends and distributions which are declared, made or paid on or after the date of allotment and issue of the fully-paid Rights Shares.

The Company has applied to the GEM Listing Committee of the Stock Exchange for the listing of, and the permission to deal in, the Rights Shares, in both their nil-paid and fully-paid forms. No part of the securities of the Company is listed or dealt in, and no listing of or permission to deal in any such securities is being or is proposed to be sought, on any other stock exchanges.

As at the Latest Practicable Date, save for the 839,781 share options outstanding under the share option scheme of the Company (of which 734,811 were granted to 7 employees of the Company and 104,970 were granted to a consultant of the Company), the Company had no outstanding options, warrants or other securities in issue which are convertible into or giving rights to subscribe for, convert or exchange into Shares. Save as aforesaid, the Company did not have any other options, warrants or other convertible securities or rights affecting the Shares and no capital of any member of the Group is under option, or agreed conditionally or unconditionally to be put under option as at the Latest Practicable Date.

As at the Latest Practicable Date, there was no arrangement under which future dividends are waived or agreed to be waived.

## 3. DISCLOSURE OF INTERESTS

### (a) Directors and chief executive's interests in the Company and its associated corporations

As at the Latest Practicable Date, none of the Directors or chief executive of the Company or their associates had any interests and short positions in any shares, underlying shares or debentures of the Company or any associated corporations (within the meaning of Part XV of the SFO) which were required to be notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests or short positions which each of them has taken or deemed to have taken under the provisions of the SFO); or which were required, pursuant to section 352 of the SFO, to be entered into the register referred to therein; or which were required, pursuant to Rules 5.46 to 5.67 of the GEM Listing Rules, to be notified to the Company and the Stock Exchange.

**(b) Substantial shareholders and other persons' interests in Shares and underlying Shares**

As at the Latest Practicable Date, the Directors are not aware of any other person had registered an interest or short position in the shares or underlying shares of the Company that was required to be recorded pursuant to section 336 of the SFO, or to be disclosed under the provisions of Divisions 2 and 3 of Part XV of the SFO.

## 4. DIRECTORS' INTERESTS IN CONTRACT AND ASSET

As at the Latest Practicable Date, none of the Directors had any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, the date to which the latest published audited accounts of the Group were made up.

There was no contract or arrangement entered into by any member of the Group, subsisting as at the Latest Practicable Date, in which any of the Directors was materially interested and which was significant in relation to the business of the Group as a whole.

## 5. DIRECTORS' SERVICE CONTRACTS

As at the Latest Practicable Date, none of the Directors had entered into or proposed to enter into any service contract with the Company or any of its subsidiaries which is not determinable by the Group within one year without payment of compensation (other than statutory compensation).

## 6. COMPETING INTERESTS

As at the Latest Practicable Date, so far as the Directors are aware, none of the Directors or controlling shareholders of the Company or their respective associates had any business or interest which competes or may compete with the business of the Group, or have or may have any other conflicts of interest with the Group.

## 7. LITIGATION

As at the Latest Practicable Date, no member of the Group was engaged in any litigation, claim or arbitration of material importance and there was no litigation, claim or arbitration of material importance known to the Directors to be pending or threatened against any member of the Group.

## 8. MATERIAL CONTRACTS

Save as disclosed below, there are no material contracts (not being contracts entered into in the ordinary course of business) which have been entered into by any member of the Group within the two years immediately preceding the date of this Prospectus:

(i) the Placing Agreement;

(ii) the Supplemental Placing Agreement; and

(iii) the placing letter (the "**Placing Letter**") dated 28 April 2025 entered into between the Company and Gransing Securities Co., Limited, pursuant to which the Company conditionally agreed to subscribe for an aggregate of 9,380,000 ordinary shares of Luxxu Group Limited at the subscription price of HK$0.15 each subject to the terms and conditions set out in the Placing Letter.

## 9. EXPERT AND CONSENT

The following is the qualification of the expert (the "**Expert**") who has given opinion or advice contained in this Prospectus:

| Name | Qualification |
| --- | --- |
| Jon Gepsom CPA Limited | Certified Public Accountants |

As at the Latest Practicable Date, the above Expert has given and has not withdrawn its written consent to the issue of this Prospectus with the inclusion herein of its report and the reference to its name in the form and context in which they respectively appear.

As at the Latest Practicable Date, the above Expert did not have any shareholding in any member of the Group or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in any member of the Group.

As at the Latest Practicable Date, the above Expert did not have any interest, direct or indirect, in any assets which had been acquired or disposed of by or leased to any member of the Group, or which were proposed to be acquired or disposed of by or leased to any member of the Group since 31 December 2025, being the date to which the latest published audited consolidated financial statements of the Group were made up.

## 10. EXPENSES

The expenses in connection with the Rights Issue, including financial advisory fees, placing commission (assuming the Rights Issue is not fully-subscribed and any Unsubscribed Rights Shares and ES Unsold Rights Shares are placed by the Placing Agent), printing, registration, translation, legal and accountancy charges are estimated to be up to approximately HK$1.3 million, which are payable by the Company.

## 11. CORPORATE INFORMATION AND PARTIES INVOLVED IN THE RIGHTS ISSUE

| | |
|---|---|
| **Board of Directors** | *Executive Directors*<br>Mr. Wang Yun<br>Mr. Zou Yonggang<br><br>*Independent non-Executive Directors*<br>Mr. Wong Sui Chi<br>Mr. Wu Chi King<br>Ms. Yin Suying |
| **Audit committee** | Mr. Wong Sui Chi *(Chairman)*<br>Mr. Wu Chi King<br>Ms. Yin Suying |
| **Nomination committee** | Mr. Wu Chi King *(Chairman)*<br>Mr. Wong Sui Chi<br>Ms. Yin Suying |
| **Remuneration committee** | Ms. Yin Suying *(Chairlady)*<br>Mr. Wong Sui Chi<br>Mr. Wu Chi King |
| **Registered office** | Windward 3<br>Regatta Office Park<br>P.O. Box 1350<br>Grand Cayman KY1-1108<br>Cayman Islands |
| **Headquarters and principal place of business in the PRC** | Room C84, 5/F, Building 5<br>Huilin Plaza, No. 5, Nanyuan South Road<br>Wumenqiao Street<br>Gusu District<br>Suzhou City, Jiangsu Province<br>The People's Republic of China |

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| **Principal place of business in Hong Kong** | 18/F, V. Heun Building<br>138 Queen's Road Central<br>Central<br>Hong Kong |
| **Authorised representatives** | Mr. Wang Yun<br>Ms. Tam Mei Chu |
| **Business address of all Directors and authorised representatives** | 18/F, V. Heun Building<br>138 Queen's Road Central<br>Central<br>Hong Kong |
| **Company secretary** | Ms. Tam Mei Chu<br>*Certified Public Accountants* |
| **Principal share registrar and transfer office** | Ocorian Trust (Cayman) Limited<br>Windward 3<br>Regatta Office Park<br>P.O. Box 1350<br>Grand Cayman KY1-1108<br>Cayman Islands |
| **Hong Kong branch share registrar and transfer office** | Tricor Investor Services Limited<br>17/F, Far East Finance Centre<br>16 Harcourt Road<br>Admiralty<br>Hong Kong |
| **Principal banker** | Dah Sing Bank Limited<br>26th Floor, Dah Sing Financial Centre<br>248 Queen's Road East<br>Wan Chai<br>Hong Kong<br><br>China Merchants Bank Co., Ltd.<br>Suzhou Branch<br>489 Ganjiang West Road<br>Suzhou City<br>Jiangsu Province<br>The People's Republic of China |

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|---|---|
| **Auditor** | Jon Gepsom CPA Limited<br>*Certified Public Accountants and Public Interest Entity Auditor*<br>Rm 03-05, 10/F<br>Siu On Centre<br>188 Lockhart Road<br>Wan Chai, Hong Kong |
| **Legal adviser to the Company as to Hong Kong laws** | David Fong & Co.<br>Unit A, 12th Floor<br>China Overseas Building<br>139 Hennessy Road<br>Wanchai<br>Hong Kong |
| **Placing Agent** | Suncorp Securities Limited<br>Unit 2305, 23/F<br>The Center<br>99 Queen's Road Central<br>Hong Kong |

## 12. PARTICULARS OF THE DIRECTORS AND SENIOR MANAGEMENT

### Executive Directors

**Mr. Wang Yun (王允)**, aged 47, joined the Group in October 2019 and is an executive Director and the chairman of the Board. He has over 19 years of management experience in different industries, of which held a managerial position in a sizable manufacturing company in the PRC for 10 years. He is experienced in sales and marketing and quality control management.

**Mr. Zou Yonggang (鄒勇剛)**, aged 43, was appointed as an executive Director in October 2019. He has over 12 years of working experience in the manufacturing industry. He was responsible for the overall management and supervision of the manufacturing process including but not limited to implementation of total quality management and cost control strategies.

**Independent non-executive Directors**

**Mr. Wong Sui Chi (黃瑞熾) ("Mr. Wong")**, aged 58, was appointed as an independent non-executive Director in February 2017. He has over 20 years of finance and accounting experience. He has obtained a bachelor's degree in accountancy from the City Polytechnic of Hong Kong (currently known as City University of Hong Kong) in 1991, a master degree of science in financial management from the University of London in 2003 and a certificate in taxation and accounting in the PRC from The Hong Kong Polytechnic University China Business Centre in 2004. He has been a member of the Hong Kong Institute of Certified Public Accountants since 2008 and an associate of the Institute of Chartered Accountants in England and Wales since 2008.

Mr. Wong has been serving as an executive director and company secretary of Pacific Legend Group Limited (a company listed on the Stock Exchange (Stock Code: 8547)) since June 2024 and November 2024 respectively. Before redesignation to executive director of Pacific Legend Group Limited (Stock Code: 8547), he was serving as an independent non-executive director of Pacific Legend Group Limited (Stock Code: 8547) from September 2023 to June 2024. He was serving as an independent non-executive director of BCI Group Holdings Limited (a company listed on the Stock Exchange (Stock Code: 8412)) from March 2017 to February 2021. Mr. Wong was an independent non-executive director of Net-A-Go Technology Company Limited (a company listed on the Stock Exchange (Stock Code: 1483)) from November 2013 to October 2016. He was also an independent non-executive director of Legend Strategy International Holdings Group Company Limited (a company listed on the Stock Exchange (Stock Code: 1355)) from December 2012 to July 2015.

**Mr. Wu Chi King (胡子敬) ("Mr. Wu")**, aged 43, was appointed as an independent non-executive Director in June 2020. He has obtained a Bachelor of Computer Science from Monash University and is a certified public accountant of Certified Practising Accountant Australia. He has accumulated extensive experience in finance and accounting by working in various listed and sizable companies in Hong Kong.

Mr. Wu has also been serving as an independent non-executive director of Mansion International Holdings Limited (a company listed on the Stock Exchange (Stock Code: 8456)) since June 2021, Palinda Group Holdings Limited (a company listed on the Stock Exchange (Stock Code: 8179)) since September 2022, China Energy Storage Technology Development Limited (a company listed on the Stock Exchange (Stock Code: 1143)) since September 2023, and China 33 Group Limited (a company listed on the Stock Exchange (Stock Code: 8087)) since July 2026.

**Ms. Yin Suying (尹蘇英)**, aged 59, was appointed as an independent non-executive Director in September 2024. She graduated from Hunan No. 1 Vocational and Technical College. She is currently employed as an administrative manager in a private company incorporated in the People's Republic of China. She has extensive experience in corporate culture and corporate governance.

## 13. AUDIT COMMITTEE

As at the Latest Practicable Date, the audit committee of the Board (the "**Audit Committee**") comprised all of the independent non-executive Directors, namely Mr. Wong Sui Chi (the chairman of the Audit Committee), Mr. Wu Chi King and Ms. Yin Suying. The background, directorship and past directorship (if any) of each of the members of the Audit Committee are set out in the section headed "12. Particulars of the Directors and senior management" in this appendix. The primary duties of the Audit Committee include, among others, (a) making recommendations to the Board on the appointment, reappointment and removal of the external auditor, and approving the remuneration and terms of engagement of the external auditor; (b) review the Group's financial statements and periodic reports and accounts, and to review significant financial reporting judgements contained therein; and (c) review the Group's financial reporting controls, risk management and internal control systems.

## 14. BINDING EFFECT

The Prospectus Documents and all acceptances of any offer or application contained therein are governed by and shall be construed in accordance with the laws of Hong Kong. The Prospectus Documents shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all provisions (other than the penal provisions) of sections 44A and 44B of the Companies (WUMP) Ordinance, so far as applicable.

## 15. DOCUMENTS DELIVERED TO THE REGISTRAR OF COMPANIES IN HONG KONG

A copy of each of the Prospectus Documents and the written consent as referred to in the paragraph headed "9. Expert and Consent" in this appendix, have been registered by the Registrar of Companies in Hong Kong as required by Section 342C of the Companies (WUMP) Ordinance.

## 16. DOCUMENTS ON DISPLAY

Copies of the following documents will be published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (https://www.irasia.com/listco/hk/hkentertainment/) during the period of 14 days from the date of this Prospectus:

(a) the memorandum and articles of association of the Company;

(b) the annual reports of the Company for each of the three financial years ended 31 December 2023, 2024 and 2025;

(c) the 2026 Interim Report;

(d) the Placing Agreement;

(e) the letter from the Board, the text of which is set out on pages 11 to 35 of this Prospectus;

(f) the independent reporting accountants' assurance report on the compilation of unaudited pro forma financial information issued by Jon Gepsom CPA Limited, the text of which is set out in Appendix II to this Prospectus;

(g) the material contracts referred to in the paragraph headed "8. Material contracts" of this appendix;

(h) the written consent referred to in paragraph headed "9. Experts and consents" of this appendix; and

(i) this Prospectus.

## 17. MISCELLANEOUS

(a) As at the Latest Practicable Date, to the best knowledge of the Directors, there was no restriction affecting the remittance of profit or repatriation of capital of the Company into Hong Kong from outside Hong Kong.

(b) As at the Latest Practicable Date, the Group does not have a foreign currency hedging policy but foreign currency transactions have been translated into the functional currencies using the exchange rates prevailing at the dates of the transaction. In the event of fluctuating foreign exchange rates, there is a risk exposure to that settlement of payment for customers and suppliers may not be reconciled. The exposed amount of foreign currencies would be monitored regularly, forward contracts would be entered for hedging the risks if considered necessary.

(c) In the event of any inconsistency, the English texts of this Prospectus and the accompanying PAL shall prevail over their respective Chinese texts.