

Dated 9th September 2022

New Sparkle Roll International Group Limited

AND

Elstone Securities Limited

PLACING AGREEMENT

relating to the placing of up to

538,000,000 new shares of

New Sparkle Roll International Group Limited

THIS PLACING AGREEMENT is made on 9th September 2022

BETWEEN: -

- (1) **New Sparkle Roll International Group Limited**, a limited liability company incorporated in the Bermuda, and whose principal place of business in Hong Kong is at Rooms 2028-36, 20 Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong (the “**Company**”); and
- (2) **Elstone Securities Limited**, a company incorporated in Hong Kong, with limited liability whose registered office is at Suite 1601-04, 16/F., West Tower, Shun Tak Centre, 168-200 Connaught Road Central, Sheung Wan, Hong Kong (the “**Placing Agent**”).

WHEREAS:

- (A) The Company, at the date of this Agreement, has an authorised share capital of HK\$500,000,000 divided into 250,000,000,000 Shares (as defined below), of which 5,471,953,447 Shares have been issued and are fully paid or credited as fully paid as at the date of this Agreement. All issued Shares are listed on the Main Board of the Stock Exchange (Stock Code: 970).
- (B) The Placing Agent is a licensed corporation to carry on Regulated Activities Type 1 (dealing in securities) and Type 4 (advising on securities) under the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as the sole and exclusive placing agent, and the Placing Agent has agreed to act as placing agent in that capacity.
- (B) The Company has agreed to appoint the Placing Agent as placing agent of the Company for the purpose of procuring, on a best effort basis, subscribers for the Placing Shares (as defined below) on the terms and subject to the conditions set out in this Agreement.

THE PARTIES AGREE THAT:

1. INTERPRETATION

- (A) In this Agreement (including the Schedule) and the recitals hereto, unless the context otherwise requires, the following terms have the meanings set opposite them:

“acting in concert”	has the meaning ascribed to it under The Hong Kong Code on Takeovers and Mergers issued by the SFC
“AGM”	means the annual general meeting of the Company held on 21 September 2021

“Announcement”	means the announcement proposed to be issued by the Company in substantially the form set out in Annexure A, subject to such amendments as may be agreed with the Stock Exchange
“Business Day”	means any day (excluding a Saturday, Sunday, public holiday or any day on which a tropical cyclone warning No. 8 or above or a “black rainstorm warning signal” is hoisted in Hong Kong at any time between 9:00 a.m. and 5:00 p.m.) on which banks generally are open for business in Hong Kong
“CCASS”	means the Central Clearing and Settlement System operated by Hong Kong Securities Clearing Company Limited
“Companies Ordinance”	means the Companies Ordinance (Cap. 622 of the Laws of Hong Kong)
“Completion”	means completion of the Placing in accordance with Clause 4
“Completion Date”	means not later than the fifth Business Day following the satisfaction of the conditions specified in Clause 2(B) or such other date as the Company and the Placing Agent shall agree
“connected person(s)”	has the meaning given to that term in the Listing Rules
“Director(s)”	means the director(s) of the Company
“General Mandate”	means the general mandate granted by the Shareholders to the Directors by a resolution of the Shareholders to allot, issue and deal with up to 20% of the aggregate nominal amount of the issued share capital of the Company as at the date of the resolution. As at the date of the AGM, a General Mandate was granted to the Directors to allot, issue and deal with a maximum of 1,094,390,689 Shares (which may be extended by an addition thereto of an amount representing the aggregate nominal amount of the issued share capital of the Company repurchased by the Company under the Repurchase Mandate)

“Group”	means the Company and its Subsidiaries and the expression “member of the Group” shall be construed accordingly
“HK\$”	means Hong Kong Dollars, the lawful currency in Hong Kong
“Hong Kong”	means the Hong Kong Special Administrative Region of the People's Republic of China
“Listing Rules”	means the Rules Governing the Listing of Securities on the Stock Exchange
“Placee(s)”	means any individual(s), corporation(s) and/or institutional or professional investor(s) procured by the Placing Agent to subscribe for any of the Placing Shares pursuant to the Placing Agent's obligations hereunder
“Placing”	means the offer by way of a private placing of the Placing Shares procured by the Placing Agent to selected investors on the terms and subject to the conditions set out in this Agreement
“Placing Period”	means the period commencing upon the execution of this Agreement and terminating at 5:00 p.m. on the Business Day prior to Completion Date (or such other date as the Company and the Placing Agent may agree), unless terminated earlier pursuant to the terms of this Agreement
“Placing Price”	means the price of HK\$0.093 per Placing Share
“Placing Shares”	means up to 538,000,000 Shares to be issued under the General Mandate and to be placed under the Placing
“Repurchase Mandate”	means the general mandate granted by the Shareholders to the Directors by a resolution of the Shareholders passed at the AGM to repurchase Shares on the Stock Exchange or any other stock exchange on which the Shares may be listed and which is recognised by the SFC and the Stock Exchange for such purpose, of an aggregate nominal amount of up to 10% of the aggregate nominal amount of the issued share capital of the Company as at the date of the AGM (i.e. a maximum of 547,195,344 Shares)

“Subscription Shares”	has the meaning given to it in Clause 3(C)(i)
“Shares”	means fully paid ordinary shares of HK\$0.002 each in the share capital of the Company
“Shareholders”	means holders of the Shares
“SFC”	means the Securities and Futures Commission of Hong Kong
“Stock Exchange”	means The Stock Exchange of Hong Kong Limited
“Subsidiaries”	has the meaning ascribed thereto in the Listing Rules

- (B) In this Agreement, unless the context otherwise requires, any reference to a “Clause” or a “Schedule” or an “Annexure” is a reference to a clause or a schedule or an annexure to this Agreement and, unless otherwise indicated, a reference to a Clause includes all the sub-Clauses of that Clause.
- (C) In this Agreement, words importing the singular include the plural and vice versa, words importing gender or the neuter include both genders and the neuter and references to persons include bodies corporate or unincorporated.
- (D) In this Agreement, references to statutory provisions shall be construed as references to those provisions as respectively amended or re-enacted (whether before or after the date hereof) from time to time and shall include any provision of which they are re-enactments (whether with or without modification) and any subordinate legislation made under provisions and references to time are to Hong Kong time.

2. APPOINTMENT OF PLACING AGENT

- (A) The Company hereby appoints the Placing Agent and the Placing Agent agrees to act as the placing agent for the Company in connection with the Placing on the terms of this Agreement.
- (B) The Placing is conditional upon:
- (i) the Listing Committee of the Stock Exchange granting approval for the listing of and permission to deal in the Subscription Shares;
 - (ii) all necessary consents, approvals, authorisations and/or waivers having been obtained by the Company to effect the execution, completion and performance of the obligations and other terms of this Agreement; and

- (iii) the Placing Agent having received from the Company certified board resolutions approving the Placing and the entering into of this Agreement.
- (C) The Placing Agent shall provide to the Company all information concerning itself and the Placees as the Stock Exchange may reasonably require.
- (D) The Company hereby confirms that the appointment of the Placing Agent confers on the Placing Agent, in accordance with the provisions hereof, all powers, authorities and discretion on behalf of the Company which are necessary for, or reasonably incidental to, the Placing and hereby agrees to ratify and confirm everything which the Placing Agent may lawfully, reasonably and properly do in the exercise of such powers, authorities and discretion in accordance with this Agreement.
- (E) The Placing Agent may in turn appoint other sub-placing agents to procure subscribers for the Placing Shares. The Placing Agent confirms and undertakes that it shall require any sub-placing agent or other person through whom it may effect the Placing or offer any Placing Shares to observe the provisions of this Agreement. Any transaction legally, properly and reasonably carried out by the Placing Agent (and any sub-placing agent) shall constitute a transaction carried out at the request of the Company and as its agent and not in respect of the Placing Agent's own account.
- (F) The Company shall provide to the Placing Agent:
 - (i) all such information known to it or which on reasonable enquiry ought to be known to it and relating to the Group as may be reasonably required by the Placing Agent in connection with the Placing for the purposes of complying with all requirements of applicable law or of the Stock Exchange or of the SFC; and
 - (ii) particulars of every significant new factor known to it which is in its reasonable opinion capable of materially affecting assessment of the Placing Shares in the context of the Placing which arises between the date hereof and 10:00 a.m. on the Completion Date.
- (G) The Company undertakes with the Placing Agent that it shall do all such other acts and things as may be reasonably required by the Placing Agent to be done by it to carry into effect the Placing in accordance with the terms of this Agreement.
- (H) In the event the conditions referred to in Clause 2(B) are not fulfilled by 30 September 2022 (or such later date as may be agreed between the Company and the Placing Agent), this Agreement shall terminate and all rights, obligations and liabilities of the parties hereunder in relation to the Placing shall cease and determine and none of the parties shall have any claim against the other party in respect of the Placing save for any antecedent breach.

3. PLACING AGENT'S UNDERTAKINGS

- (A) The Placing Agent undertakes during the Placing Period to procure, on a best effort basis, subscribers for the Placing Shares at the Placing Price.
- (B) The choice of Placees for the Placing Shares shall be determined solely by the Placing Agent, subject to the requirements of the Listing Rules (in particular, the Placing Agent shall use all reasonable endeavours to ensure and shall obtain confirmation to that effect that Placees and their ultimate beneficial owners, if any, shall be third parties independent of and not connected with any of the connected persons of the Company or any of their respective associates and are not acting in concert with the Company or any of its directors, chief executives or substantial shareholders or any of their respective associates or any other Placees).
- (C) By no later than 5:00 p.m. on the third Business Day prior to the Completion Date, the Placing Agent shall deliver to the Company:
 - (i) a schedule showing details of the Placees (including the Placing Agent if applicable) including their names, country of incorporation (if a corporation), addresses (or registered address if a corporation), the number of Placing Shares subscribed for by each Placee (the “**Subscription Shares**”) and the details of the CCASS accounts; and
 - (ii) letters of confirmation signed by each of the Placees for the relevant number of Subscription Shares subscribed for by each Placee.
- (D) Without limitation to Clause 3(E), the Placing Agent undertakes that the Placing shall be effected by telephone conversations leading to concluded contracts which shall then be confirmed by letter of confirmation.
- (E) The Placing Agent represents warrants and undertakes to the Company that:
 - (i) the Placing Agent shall not, directly or indirectly, engage in price stabilisation in relation to the Placing, or offer, sell or deliver any Placing Shares or distribute or publish any documents (including, without limitation to the foregoing, any prospectus, form of application, offering circular, advertisement or other offering material or any report or other document calculated to invite or lead to offers or agreements being made to purchase Placing Shares), or make any representations or statements in relation to the Placing in any country or jurisdiction except where such offer, sale or delivery is made under circumstances that shall not result in or constitute a breach of any applicable laws and regulations or give rise to a requirement for any prospectus to be published or filed or any registration or qualification to be made or obtained (other than such as are made or obtained by the Placing Agent) in any such country or jurisdiction and all offers, sales and deliveries of Placing Shares shall be made on such terms;

- (ii) the Placing Shares will be offered or sold to persons, who to the best of the knowledge and belief of the Placing Agent, are individuals, corporation(s) and/or institutional or professional investor(s) who and whose ultimate beneficial owners are independent of and not connected with the Company and its connected persons. The Placing Agent shall use its best endeavour to ensure that none of the Placees will become a substantial shareholder (as defined in the Listing Rules) of the Company immediately after the Placing;
 - (iii) the Placing Shares will not be offered or sold (including in the case of an on-sale by the Placing Agent) in Hong Kong by means of any document or in circumstances which will constitute an offer to the public within the meaning of the Companies Ordinance, and that no invitation or advertisement relating to the Placing Shares will be made or issued in Hong Kong other than to persons whose business involves the acquisition, disposal or holding of securities, whether as principal or agent;
 - (iv) the Placing Agent has full power and authority to enter into this Agreement and obtained all necessary corporate action to authorise the execution and performance of this Agreement;
 - (v) the Placing Agent has not offered or sold and shall not offer or sell any of the Placing Shares, and it has not distributed and shall not distribute or publish any prospectus or the application form (save in circumstances complying fully with all relevant laws), in any jurisdiction outside Hong Kong; and
 - (vi) the Placing Agent shall inform the sub-agents through whom it may effect the placing or offer or sell any Placing Shares of the restrictions in relation to the Placing set out in this Clause 3(E) and use its best efforts to procure that they abide by those restrictions.
- (F) The Placing Agent confirms and undertakes that it has not made and shall not make to any person to whom Placing Shares may be offered any representation or statement regarding the Company, the Group or the financial or business position or prospects of the Company or the Group which was not or is not, at the time of making the same, general public knowledge in the market place.

4. COMPLETION

- (A) Subject to the fulfilment of the conditions set out in Clause 2(B) and the payment under Clause 4(B), at 4:00 p.m. (or at such other time to be agreed between the Company and the Placing Agent) on the Completion Date, the Company shall (or otherwise as agreed between the parties):
 - (i) issue and allot fully paid Subscription Shares to, or for the benefit of, the Placing Agent on behalf of the Placees such number of Subscription Shares subscribed

for by them in accordance with the details provided by the Placing Agent pursuant to Clause 3(C) and shall procure that the Placees or, as appropriate, HKSCC Nominees Limited, are registered on the branch register of members in Hong Kong in respect thereof; and

- (ii) provide to the Placing Agent either definitive share certificates issued in the names of the relevant Placees in respect of the relevant number of Subscription Shares subscribed for by each Placee or (if requested by a Placee) evidence satisfactory to the Placing Agent that the Company has issued the relevant share certificate(s) in the name of HKSCC Nominees Limited and delivered such certificates to Hong Kong Securities Clearing Company Limited for credit to the CCASS accounts in accordance with the Placee details as provided by the Placing Agent pursuant to Clause 3(C)(i).
- (B) Against compliance by the Company with its obligations under Clause 4(A) and subject to Clause 7, the Placing Agent (or its nominees or agents) shall, in respect of the Subscription Shares make or procure the making of payments to the Company in cleared funds in Hong Kong dollars of the aggregate Placing Price of the Subscription Shares (less the amounts referred to in Clause 5(A)) and such payment shall be made for value to such bank account at least one Business Day before the Completion held with a bank in Hong Kong as may be notified by the Company to the Placing Agent at least two Business Days before the Completion Date.

5. PAYMENT OF FEES AND COMMISSIONS

- (A) In consideration of the services of the Placing Agent in relation to the Placing, the Company shall, provided that Completion occurs in accordance with Clause 4, pay to the Placing Agent:
- (i) commission (which shall include brokerage if required), in Hong Kong dollars, of 1.75 per cent. of the amount equal to the Placing Price multiplied by the number of Subscription Shares;
 - (ii) Stock Exchange trading fee of 0.005 per cent of the amount equal to the Placing Price multiplied by the number of Subscription Shares (if any);
 - (iii) SFC transaction levy of 0.0027 per cent of the amount equal to the Placing Price multiplied by the number of Subscription Shares (if any); and
 - (iv) FRC transaction levy of 0.00015 per cent of the amount equal to the Placing Price multiplied by the number of Subscription Shares (if any),

which amounts the Placing Agent is hereby authorised to deduct and pay itself from the payments to be made by it to the Company pursuant to Clause 4(B).

- (B) All payments to be made by the Company pursuant to this Clause 5 shall be made in full without any set-off, deduction or withholding whatsoever.

6. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

- (A) In consideration of the Placing Agent entering into this Agreement and agreeing to perform its obligations hereunder, the Company hereby represents, warrants and undertakes to the Placing Agent as follows:

- (i) the Company has the necessary power and authority and, subject where relevant to the fulfilment of the condition set out in Clause 2(B), has obtained all necessary consents to enable it to issue the Placing Shares hereunder and this Agreement constitutes valid and legally binding and enforceable obligations of the Company; and
- (ii) the Placing Shares to be issued are fully paid up and rank pari passu in all respects among themselves and with the Shares in issue, including as to the right to receive all dividends and distributions which may be declared made or paid after the Completion Date and will be issued free and clear of all liens, encumbrances, equities or other third party rights.

- (B) The foregoing provisions of this Clause 6 shall remain in full force and effect notwithstanding the Completion.

7. TERMINATION

- (A) Notwithstanding that anything contained in this Agreement, if, at any time prior to 10:00 a.m. on the Completion Date, in the reasonable opinion of the Placing Agent the success of the Placing or the business or financial prospects of the Group would or might be adversely affected by:

- (i) any material breach of any of the representations, warranties and undertakings set out in Clause 6; or
- (ii) any of the following events:
 - (a) the introduction of any new law or regulation or any change in existing laws or regulations or change in the interpretation or application thereof; or
 - (b) the occurrence of any event, development or change (whether or not local, national or international or forming part of a series of events or changes occurring or continuing before, on and/or after the date hereof and including an event or change in relation to or a development of an existing

state of affairs) of a political, military, industrial, financial, economic or other nature, whether or not sui generis with any of the foregoing, resulting in a material adverse change in, or which might be expected to result in a material adverse change in, political, economic or stock market conditions; or

- (c) the imposition of any moratorium, suspension or material restriction on trading in securities generally on the Stock Exchange occurring due to exceptional financial circumstances or otherwise; or
- (d) a change or development involving a prospective change in taxation in Hong Kong, Bermuda or the implementation of exchange controls which shall or might materially and adversely affect the Group (as a whole) or its present or prospective shareholders in their capacity as such; or
- (e) any change or deterioration in the conditions of local, national or international securities markets occurs,

then and in any such case, the Placing Agent may terminate this Agreement without liability to the Company by giving notice in writing to the Company, provided that such notice is received prior to 10:00 a.m. on the Completion Date.

- (B) In the event that the Placing Agent terminates this Agreement pursuant to Clause 7(A), all obligations of each of the parties under this Agreement, shall cease and determine and no Party shall have any claim against any other party in respect of any matter arising out of or in connection with this Agreement except for any breach arising prior to such termination.

8. GENERAL

- (A) Save for the Announcement and save as required by law or by the Stock Exchange or the SFC, the Company hereby undertakes that no public announcement or communication to the press, the Stock Exchange or the shareholders of the Company concerning the Company and/or its Subsidiaries which is material in relation to the Placing shall be made by or on behalf of the Company between the date hereof and the Completion Date without prior written approval from the Placing Agent as to the content, timing and manner of making thereof, such approval not to be unreasonably withheld or delayed.
- (B) Any time, date or period mentioned in this Agreement may be extended by agreement between the Company and the Placing Agent but, as regards any time, date or period originally fixed or any date or period so extended as aforesaid, time shall be of the essence.

- (C) No failure or delay by any party in exercising any right, power or remedy under this Agreement shall operate as a waiver thereof, nor shall any single or partial exercise of the same preclude any further exercise thereof or the exercise of any other right, power or remedy. Without limiting the foregoing, no waiver by any party of any breach of any provision hereof shall be deemed to be a waiver of any subsequent breach of that or any other provision hereof.
- (D) No party hereto shall assign any of its rights under this Agreement (all of which shall be incapable of assignment without the prior written consent of all other parties) or purport to do so. This Agreement shall be binding on and ensure for the benefit of each party's successors and permitted assigns.
- (E) This Agreement may be executed in any number of counterparts by the parties hereto on separate counterparts, each of which when executed shall constitute an original and all of which when taken together shall constitute one and the same document.
- (F) This Agreement constitutes the entire agreement between the parties with respect to its subject matter (neither party having relied on any representation or warranty made by the other party which is not contained in this Agreement) and no variation of this Agreement shall be effective unless made in writing and signed by all of the parties.
- (G) This Agreement supersedes all and any previous agreements, arrangements or understandings between the parties relating to the matters referred to in this Agreement and all such previous agreements, understanding or arrangements (if any) shall cease and determine with effect from the date hereof.
- (H) If at any time any provision of this Agreement is or becomes illegal, void or unenforceable in any respect, the remaining provisions hereof shall in no way be affected or impaired thereby.
- (I) Each party shall bear its own costs and expenses (if any) incurred by it in connection with the preparation, negotiation and settlement of this Agreement.

9. NOTICES

All notices delivered hereunder shall be in writing in the English language and shall be communicated to the following addresses:

If to the Company, to:

New Sparkle Roll International Group Limited

Rooms 2028-36, 20 Floor, Sun Hung Kai Centre, 30 Harbour Road, Wanchai, Hong Kong

Facsimile : (852) 2299 9966
Attention : The Board of Directors

If to the Placing Agent to:

Elstone Securities Limited

Suite 1601-04, 16/F., West Tower, Shun Tak Centre,
168-200 Connaught Road Central, Sheung Wan, Hong Kong

Facsimile : (852) 3725 4398
Attention : Mr. Kenneth Ng/ Ms. Lubbie AuYeung

or to such other address or facsimile number as the party concerned may have been notified to the other party pursuant to this Clause and may be given by sending it by hand to such address or by facsimile transmission to such facsimile number, or to such other address or facsimile number as the party concerned may have notified to the other party in accordance with this Clause. Such notice shall be deemed to be served on the day of delivery or facsimile transmission (or, if the day of delivery or transmission is not a Business Day or if the delivery or transmission is made after 5:00 p.m. Hong Kong time, deemed to be served on the immediately following Business Day) or, if sooner, upon acknowledgement of receipt by or on behalf of the party to which it is addressed.

10. GOVERNING LAW

This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong for the time being in force and the Parties hereby irrevocably submit to the non-exclusive jurisdiction of the Hong Kong courts in connection herewith.

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IN WITNESS whereof this Agreement has been entered into the day and year first above written.

SIGNED by

duly authorised for and on behalf of

New Sparkle Roll International Group Limited

in the presence of:-

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SIGNED by NG SIU HONG

duly authorised for and on behalf of

Elstone Securities Limited

in the presence of:-

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