

THIS PLACING AGREEMENT is made on the 10 January 2018

BETWEEN:

- (A) **NEW SPORTS GROUP LIMITED**, a company incorporated in the Cayman Islands with limited liability whose registered office is situate at Cricket House, Hutchins Drive, P.O. Box 2681, Grand Cayman, KY1-1111, Cayman Islands (the “**Company**”); and
- (B) **CCB INTERNATIONAL CAPITAL LIMITED**, a company duly incorporated in Hong Kong and a licensed corporation with SFC (as defined below) to carry out Type 1 (Dealing in Securities), Type 4 (Advising on Securities) and Type 6 (Advising on Corporate Finance) regulated activities under the SFO (as defined below) in Hong Kong (CE No. AJO225), whose registered office is at 12/F., CCB Tower, 3 Connaught Road Central, Central, Hong Kong (the “**Placing Agent**”).

WHEREAS:

- (A) The Company is a company incorporated in the Cayman Islands with limited liability, and the shares of which are listed on the main board of The Stock Exchange of Hong Kong Limited (stock code: 299).
- (B) As at the date of this Agreement, the Company has an authorised share capital of HK\$200,000,000 divided into 4,000,000,000 Shares, of which 2,043,128,106 Shares have been issued and are fully paid up or credited as fully paid up. All the issued Shares are currently listed on the Main Board of the Stock Exchange.
- (C) The Company has agreed to appoint the Placing Agent as placing agent of the Company for the purpose of procuring, on a best efforts basis, subscribers for the Placing Shares on the terms and subject to the conditions set out in this Agreement.
- (D) The Placing Shares (as defined below) will be allotted and issued under the specific mandate to be sought at the EGM.

IT IS HEREBY AGREED:

1. INTERPRETATION

- (A) In this Agreement, including the recitals and schedule hereto, unless the context otherwise requires:

“**Affiliate**” means any person that directly or indirectly controls or is controlled by, or is under common control with the Placing Agent;

“**Announcement**” means a public announcement in the form or substantially in the form of the draft annexed or contained in the Schedule 1 proposed to be issued by the Company as soon as possible following the execution of this Agreement;

“Business Day” means a day (other than a Saturday, Sunday and public holiday) on which licensed banks in Hong Kong are open for business;

“CCASS” means the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited;

“Company Warranties” means the representations, warranties and undertakings set out in Schedule 3 provided by the Company under this Agreement

“Company (Winding Up and Miscellaneous Provisions) Ordinance” means Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong);

“Completion” means completion of the Placing in accordance with the terms and condition set out in this Agreement;

“Completion Date” means the date falling on the fifth Business Day after all the conditions set out in Clause 3(A) are satisfied or waived, if capable of being waived, (or such later date as may be agreed between the parties hereto in writing);

“General Rules” means the general rules of CCASS;

“Hong Kong” means the Hong Kong Special Administrative Region of the People’s Republic of China;

“Increase in Authorized Share Capital” means the increase of the authorized share capital of the Company from HK\$200,000,000.00 divided into 4,000,000,000 Shares to HK\$400,000,000.00 divided into 8,000,000,000 Shares by the creation of an additional 4,000,000,000 new Shares;

“Listing Rules” means the Rules Governing the Listing of Securities on the Stock Exchange;

“Placee(s)” means any person or entity procured by the Placing Agent or its agent(s) to subscribe for any Placing Shares pursuant to the terms of this Agreement;

“Placing” means the placing of the Placing Shares on and subject to the terms and condition set out in this Agreement;

“Placing Price” means HK\$0.50 per Placing Share (exclusive of any brokerage, SFC transaction levy and Stock Exchange trading fee as may be payable);

“Placing Shares” means a total of up to 1,634,502,485 new Shares to be placed pursuant to this Agreement;

“SFC” means the Securities and Futures Commission of Hong Kong;

“**SFO**” means the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong);

“**Shares**” means the ordinary shares of HK\$0.05 each in the share capital of the Company;

“**Shareholders**” means holders of the Shares;

“**Stock Exchange**” means The Stock Exchange of Hong Kong Limited;

“**HK\$**” means Hong Kong dollars, the lawful currency of Hong Kong;

“**2016 Annual Report**” means the annual report of the Company for the financial year ended 31 December 2016;

“**2017 Interim Report**” means the interim report of the Company for the six months ended 30 June 2017; and

“**2017/2018 Announcements**” means all announcements made by the Company under the Listing Rules in financial year ended 31 December 2016 and from 1 January 2017 to the date of this Agreement.

- (B) In this Agreement, references herein to “**Clauses**” and the “**Schedule**” are to clauses of and the schedule to this Agreement.
- (C) In this Agreement, the singular includes 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 unincorporate.
- (D) Headings inserted are for convenience only and shall not affect the interpretation of this Agreement.

2. PLACING

- (A) Upon and subject to the terms and condition set out in this Agreement, and relying on the representations, warranties and undertakings herein, the Placing Agent agrees, as agent of the Company, to procure, either by itself or through its affiliates or sub-agents, on a best effort basis, Placees to subscribe for the Placing Shares during the period commencing from the date of this Agreement to the Completion Date. The Placing Agent may carry out the Placing itself and/or through such other agents as the Placing Agent may agree with the Company. The Placing Agent shall procure that such other agents shall comply with all relevant obligations to which the Placing Agent is subject under the terms of this Agreement.
- (B) The Company hereby appoints the Placing Agent as its agent to procure on a best effort basis Placees to subscribe for the Placing Shares on and subject to the terms and condition set out in this Agreement. For the avoidance of doubt, the parties hereto acknowledge that the Placing Agent is only obliged to use its best efforts to procure placees for the Placing Shares or any of them, but is not under

any underwriting obligation in respect of the Placing Shares or any of them. Where the number of Placing Shares actually placed is less than the number of Placing Shares set forth pursuant to this Agreement, the Placing Agent shall not be obliged to acquire any or all Placing Shares for which no Placees are procured, and the Company agrees that it does not have any recourse whatsoever against the Placing Agent or its affiliate or any sub-agents in respect of such shortfall. The Company agrees that the Placing Agent may perform its obligations under this Agreement through one or more of its Affiliates designated by the Placing Agent, as they deem appropriate. Any transaction properly carried out by the Placing Agent pursuant to this Agreement shall constitute a transaction carried out by the Placing Agent at the request of the Company and as its agent and not on account of or for the Placing Agent. The Placing Agent shall not be responsible for any loss or damage (except for any loss or damage which is caused, directly or indirectly, by fraud, wilful default or gross negligence on the part of the Placing Agent, or any sub-agent appointed by the Placing Agent pursuant to Clause 2(A)) to the Company arising directly or indirectly from any such transaction.

- (C) The Company hereby confirms that the foregoing appointment confers on the Placing Agent all powers, authorities and discretion on its behalf which are necessary for, or incidental to, the Placing and hereby agrees to ratify and confirm any act which the Placing Agent shall or may lawfully and reasonably do or have done pursuant to or in anticipation of the terms and condition of this Agreement subject to the provisions contained herein.
- (D) The Company shall allot and issue the Placing Shares in accordance with the memorandum of association and articles of association of the Company and with all the applicable laws of Hong Kong and the Cayman Islands;
- (E) The choice of the Placees shall be determined by the Placing Agent at its sole discretion subject to the requirements of the Listing Rules and/or any objection the Stock Exchange may have to any particular person or company being a Placee PROVIDED that the Placing Agent undertakes to use its best endeavours to procure confirmations from its Placees confirming to the effect that the Placing Shares shall only be subscribed by such persons or companies whose themselves and (to their best knowledge) their respective beneficial owners (if applicable) are third parties independent of the Company and its connected persons (as defined under the Listing Rules).
- (F) The Company acknowledges and agrees that the Placing Agent may offer and sell Placing Shares to or through any of its Affiliates and that any such Affiliate may offer and sell Placing Shares purchased by it to or through the Placing Agent and that the Placing Agent or any of its Affiliates may purchase the Placing Shares and be allocated the Placing Shares for asset management and/or proprietary purposes and not with a view to distribution.
- (G) The Company shall issue and allot the Placing Shares free from all liens, charges and encumbrances and together with all rights attaching to them as at the Completion Date, including the right to receive all dividends declared, made or paid on or after the Completion Date.

3. CONDITION

- (A) The Placing is conditional upon the following matters:
- (i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Placing Shares;
 - (ii) the passing by the Shareholders who are entitled to vote and not required to be abstained from voting under the Listing Rules in an extraordinary general meeting to be held and convened of resolution(s) to approve Increase in Authorized Share Capital;
 - (iii) the passing by the Shareholders who are entitled to vote and not required to be abstained from voting under the Listing Rules in an extraordinary general meeting of the Company to be held and convened of resolution(s) to approve this Agreement and the transactions contemplated hereunder including the allotment and issue of the Placing Shares;
 - (iv) all necessary approvals, permits and consents in relation to the transactions contemplated under this Agreement and the allotment and issue of the Placing Shares being obtained; and
 - (v) no representation, warranty or undertaking under this Agreement having been breached by the Company or is otherwise rendered inaccurate, untrue or misleading in any material respect, in each case on or prior to the Completion Date.
- (B) The Placing Agent may at its absolute discretion at any time waive in writing any of the conditions set out in Clause 3(A)(v) (to the extent it is capable of being waived) and such waiver may be made subject to such terms and conditions as are determined by the Placing Agent. The conditions set out in Clause 3(A)(i), (ii), (iii) and (iv) are incapable of being waived. The Company shall use its best endeavours to procure the fulfillment of the conditions referred to in Clause 3(A) and in the event the conditions referred to in Clause 3(A) are not fulfilled or waived at 5:00 p.m. pm (Hong Kong time) on or before 30 June 2018 (or such later date as may be agreed between the parties hereto in writing), all rights, obligations and liabilities of the parties hereto shall cease and terminate and neither of the parties shall have any claim against the other save for any antecedent breach of any right or obligation under this Agreement prior to such termination.

4. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS IN RESPECT OF THE PLACING SHARES

- (A) The Company hereby represents, warrants and undertakes to the Placing Agent that the Company Warranties are true and accurate in all material respects as at the date of this Agreement and will continue to be so up to and including the time of Completion.

- (B) The Company agrees and acknowledges that the Placing Agent, its affiliates and/or sub-agents is entering into this Agreement in reliance on the Company Warranties. The Company undertakes to notify the Placing Agent of any matter or event coming to its attention prior to Completion which shows or may show any of the representations, warranties and undertakings to be or to have been untrue, inaccurate or misleading in any material respects. The Company shall not, and shall procure that no member of the Group shall at any time prior to or on the Completion, do or omit to do anything which may cause any of the representations, warranties and undertakings set out in this Agreement to be untrue in any material respects. The Company shall furnish such information, supply such documents, pay such fees and do all such acts and things as may reasonably be required by the Placing Agent, the SFC and/or the Stock Exchange in connection with the fulfilment of the conditions under clause 3(A), including without limitation, a certified copy of the listing approval granted by the Listing Committee.
- (C) The Placing Agent hereby represents, warrants and undertakes to the Company that:
- (i) it has power to enter into this Agreement and this Agreement has been duly authorised and executed by, and constitutes legal, valid and binding obligations of the Placing Agent which shall be enforceable against the Placing Agent in accordance with its terms and condition;
 - (ii) the Placing Agent will procure, on a best efforts basis, Placees to subscribe for the Placing Shares on and subject to the terms of this Agreement;
 - (iii) in each jurisdiction in which the Placing Agent solicits subscription for the Placing Shares the Placing Agent will do so in accordance with all applicable laws, rules and regulations in force in such jurisdiction. The Placing Shares shall not be offered to or placed in circumstances which would constitute an offer to the public in Hong Kong within the meaning of the Companies (Winding Up and Miscellaneous Provisions) Ordinance or in any other place or in any manner in which the securities laws, rules or regulations of any place may be infringed or not complied with;
 - (iv) the Placing Agent will use its best endeavours to procure confirmations from their respective Placees to the effect that the Placees and (to their best knowledge) their respective beneficial owners (if applicable) will be third parties independent of the Company and its connected persons (as defined under the Listing Rules);
 - (v) the Placing Agent will make available and promptly supply, or use its best endeavours to procure the relevant Placees to make available and promptly supply, to the Stock Exchange and the SFC or any other relevant authority all information in relation to the Placees which may be required by the Stock Exchange, the SFC and/or such other authority;

- (vi) the Placing Agent will ensure the fulfillment and compliance of all applicable rules and regulations of the Stock Exchange and if applicable, the rules and codes of the SFC in relation to its role as placing agent for the Placing, and will issue appropriate written confirmation of such fulfillment and compliance upon request by the relevant regulatory authority; and
 - (vii) the Placing Agent is a third party independent of the Company and its connected persons (as defined in the Listing Rules).
- (D) The representations and warranties contained in this Clause are deemed to be given as at the date of this Agreement and shall remain in full force and effect. Each party hereto hereby undertakes to notify the other party to this Agreement of any matter or event coming to its attention which may render any of the representations or warranties untrue or inaccurate at any time prior to the Completion Date.

5. COMPLETION

Completion of this Agreement shall take place at 12:00 noon on the Completion Date at the principal office of the Company in Hong Kong (or such other date, time and/or place as the parties hereto may agree in writing) when all (but, not part only) of the following businesses shall be transacted:

- (i) the Placing Agent shall effect payment to the Company by way of cheque or cashier order (or such other method agreed between the parties hereto) in Hong Kong dollars for value to the Company of an amount equal to the Placing Price multiplied by the number of the Placing Shares actually placed by the Placing Agent less the amounts deducted by the Placing Agent under Clause 6;
- (ii) the Company shall allot and issue to the Placees such number of the Placing Shares subscribed by them and shall procure that the Placees be registered on the branch register of members of the Company in Hong Kong in respect thereof; and
- (iii) the Company shall arrange to deliver to the Placing Agent on Completion Date the definitive share certificates in the form of jumbo certificate or in such denomination as the Placing Agent may instruct pursuant to Clause 2(E) issued in the names of the Placees in respect of such number of Placing Shares to be subscribed by each of them respectively and in accordance with such instructions referred to above or arrange for the Placing Shares to be deposited into CCASS in accordance with such instructions. The Company shall, at or before 5:00 p.m. on the Completion Date:-
 - (a) procure that an irrevocable delivery instruction is given to effect a book entry settlement of the Placing Shares in accordance with the General Rules and the CCASS Operational Procedures issued by Hong Kong Securities Clearing Company Limited from time to time

to the credit of the Stock Accounts (as defined in the General Rules) of the Placees; and

- (b) deliver to, or procure the delivery to, the Placing Agent or as it may direct, evidence of the giving of the delivery instruction in Clause 5(iii)(a).

If the provisions of Clauses 5(ii) and (iii) are not fully complied with, the Placing Agent shall be entitled (in addition to and without prejudice to all other rights or remedies available to the Placing Agent) to terminate this Agreement.

6. COMMISSIONS AND EXPENSES

- (A) Subject to completion of this Agreement, the Company shall pay to the Placing Agent a placing commission in Hong Kong dollars, of 0.5% of the amount which is equal to the Placing Price multiplied by the number of the Placing Shares actually placed by the Placing Agent, and the Placing Agent is hereby authorised to deduct from the payment to be made by it to the Company at Completion pursuant to Clause 5(i). The Placing Agent shall also be authorised to deduct from the payment to be made by it to the Company at Completion pursuant to Clause 5(i) brokerage, SFC transaction levy and Stock Exchange trading fee, if any, as may be payable by the Company in respect of the allotment and issue of the Placing Shares to the Placees or, as appropriate, the Placing Agent or its nominees.
- (B) Subject to Clause 6(C), the Company shall pay all out-of-pocket expenses properly and reasonably incurred by the Placing Agent in connection with the Placing.
- (C) Each of the parties hereto shall be respectively liable for its own legal and other professional fees and expenses in connection with the preparation of this Agreement.
- (D) All payments to be made by the Company pursuant to this Clause 6 shall be made in full without any set-off, deduction or withholding whatsoever. If the Company makes a deduction in connection with any such payments, the sum due from the Company shall be increased to the extent necessary to ensure that, after the making of any deduction or withholding, the Placing Agent or any Indemnified Person which is entitled to such payment receives a sum equal to the sum it would have received had no deduction or withholding been made.
- (E) Capital fee and stamp duty (if any) relating to the issue and delivery of the Placing Shares pursuant to this Agreement shall be borne by the Company.
- (F) The Company hereby acknowledges that, in addition to the commissions, costs, charges and expenses referred to in Clause 6, the Placing Agent shall be entitled to keep for its own account any brokerage that it may receive from the Placees.

7. **TERMINATION**

- (A) Notwithstanding anything contained in this Agreement to the contrary, the Placing Agent shall be entitled by notice to the Company given prior to 6:00 p.m. on the Business Day immediately preceding the Completion Date to forthwith terminate this Agreement if any of the following events comes to the attention of the Placing Agent:
- (i) in the reasonable opinion of the Placing Agent, the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before and/or after the date of this Agreement) of a political, military, financial, economic, currency (including a change in the system under which the value of the Hong Kong currency is linked to the currency of the United States of America) or other nature (whether or not sui generis with any of the foregoing), or in the nature of any local, national, international outbreak or escalation of hostilities or armed conflict or acts of government, strikes, lock-outs, fire, explosion, flooding, civil commotion, acts of war, acts of God, acts of terrorism, outbreak of diseases or epidemics (including Severe Acute Respiratory Syndrome, avian influenza A (H5N1) or such related/mutated forms) or interruption or delay in transportation, or affecting local securities market or the occurrence of any combination of circumstances as would be likely to be materially adverse to the success of the Placing; or
 - (ii) there is any material adverse change in the financial position of the Company which in the reasonable opinion of the Placing Agent is material in the context of the Placing; or
 - (iii) any new law or regulation or any change or development involving a prospective change in existing laws and regulations in any relevant jurisdiction which in the reasonable opinion of the Placing Agents has or is likely to have a material adverse effect on the financial position of the Company and/or of the Group as a whole; or
 - (iv) any outbreak or escalation of hostilities or act of terrorism involving Hong Kong or the People's Republic of China or the declaration by Hong Kong or the People's Republic of China of a national emergency or war; or
 - (v) any moratorium, suspension or material restriction on trading in shares or securities generally on the Stock Exchange due to exceptional financial circumstances or otherwise at any time prior to the Completion Date.
 - (vi) if there has come to the notice and in the reasonable opinion of the Placing Agent:-
 - (a) any material breach of the Company Warranties; or
 - (b) any material breach of any of the obligations imposed upon the Company; or

- (c) any act or thing done by or omission of any member of the Group otherwise than in the ordinary course of business whereby any of the Company Warranties would not be true in any material respect if given at that time.
- (B) If notice is given pursuant to Clause 7(A), this Agreement shall terminate and be of no further effect and neither party shall be under any liability to the other party in respect of this Agreement save for the Company shall remain liable to pay the costs and expenses of the Placing Agent under Clause 6(B) of this Agreement and any liabilities under Clause 8 and any antecedent breach of any right or obligation under this Agreement prior to such termination.

8. INDEMNITY

The Company undertakes to indemnify, upon demand, the Placing Agent and its Affiliates and sub-agents and directors, officers, advisors, agents and employees (the “**Indemnified Persons**”), against all or any costs, expenses (including reasonable and proper legal fees), fees, claims, actions, liabilities, demands, proceedings or judgments (including, but not limited to, all such losses, costs, charges or expenses suffered or properly incurred in disputing or defending any proceedings and/or in establishing its rights to be indemnified pursuant to this Clause 8 and/or in seeking advice in relation to any proceedings) brought or established against any of the Indemnified Persons by any Placee or by any governmental agency, regulatory body or other person which, in any such case, arises out of or in connection with the subscription of the Placing Shares and the performance by the Placing Agent of its obligations under this Agreement, any failure or alleged failure by the Company to comply with its obligations and duties under the Listing Rules, the settlement of any investigation or proceeding by any governmental agency or body, commenced or threatened, any breach of any of the warranties and representations contained in Clause 4 and Schedule 3, or otherwise in connection with the Placing and this Agreement, and does not arise from the Indemnified Person’s fraud, or wilful default or gross negligence.

9. MISCELLANEOUS

- (A) All provisions of this Agreement shall so far as they are capable of being performed or observed continue in full force and effect notwithstanding Completion except in respect of those matters which have already been performed.
- (B) This Agreement may be executed in two or more counterparts each of which shall be binding on the parties hereto and shall together constitute one agreement.
- (C) This Agreement shall be binding on and endure for the benefit of the successors of the parties hereto but assignment may only be made after prior written consent of the other party has been given.

- (D) The Company acknowledges and agrees that the Placing Agent is acting solely pursuant to a contractual relationship with the Company on an arm's length basis with respect to the Placing (including in connection with determining the terms of the Placing) and that in connection with the Placing and the process leading to such transaction, the Placing Agent has not acted as and is not a financial adviser or a fiduciary of the Company or the Company's stockholders, creditors, employees, Affiliates or any other party. The Placing Agent has not assumed and will not assume an advisory or fiduciary responsibility in favour of the Company with respect to the relevant Placing Agent or the process leading to the Placing (irrespective of whether the relevant Placing Agent has advised or is currently advising the Company on other matters) and the relevant Placing Agent has no obligation to the Company with respect to the Placing except the obligations expressly set out in this Agreement. The Company further acknowledges and agrees that the Placing Agent and its Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Company and that the relevant Placing Agent has not provided any legal, accounting, regulatory or tax advice with respect to the Placing. The Company confirms that it has consulted its own legal, accounting, regulatory and tax advisers to the extent it deemed appropriate. The Company waives to the fullest extent permitted by applicable law any claims it may have against the relevant Placing Agent and its Affiliates arising from any alleged breach of fiduciary duty in connection with the Placing.

10. NOTICE

- (A) All notices delivered hereunder shall be in writing and shall be communicated to the following addresses:

If to the Company, to:

Address : Unit 2602, 26/F., Lippo Centre, Tower 1, No. 89
Queensway, Admiralty, Hong Kong
Facsimile : (852) 2877 8080
Attention : Mr. Tony Fong

If to the Placing Agent to:

Address : 12/F., CCB Tower, 3 Connaught Road Central, Central,
Hong Kong
Facsimile : 852 2918 4903
Attention : ECM

- (B) Any such notice shall take effect in the case of delivery by hand upon delivery; in the case of despatch by local mail 24 hours after posting; and in the case of facsimile, on production of a transmission report by the machine from which the facsimile was sent which indicates that the facsimile was sent in its entirety to the facsimile number of the recipient.

11. **TIME OF ESSENCE**

Time shall be of the essence of this Agreement.

12. **GOVERNING LAW AND JURISDICTION**

- (A) This Agreement is governed by and shall be construed in accordance with the laws of Hong Kong.
- (B) The parties hereto irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong.

13. **THIRD PARTY RIGHTS**

- (A) Unless expressly provided to the contrary in this Agreement, a person who is not a party to this Agreement has no right under Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce or to enjoy the benefit of any term of this Agreement.
- (B) Notwithstanding any term of this Agreement, the consent of any third person who is not a party to this Agreement is not required to rescind or vary this Agreement at any time.

SCHEDULE 1

ANNOUNCEMENT

SCHEDULE 2

COMPANY WARRANTIES

1 General

- 1.1 There are no material facts or circumstances, in relation to the assets, business, prospects or financial conditions of any Group Company, which have not been disclosed to the Placing Agent and which, if fully disclosed, might have affected the willingness of the Placing Agent to enter into this Agreement.
- 1.2 The Company and its agents have not given any information to the Placing Agent or its agents or advisers which is untrue or misleading in any material respect.
- 1.3 All statements in the Recitals are true and correct in all material respect.
- 1.4 The contents of the Agreement are true, all expressions of beliefs and opinions contained therein are honestly held, such beliefs, opinions and forecasts contained therein were arrived at after due and careful consideration, and there are no material facts or circumstances relating to the Group the inclusion of which in the Announcement is necessary to enable a potential Placee to make a reasonable assessment of the assets, liabilities, business, financial conditions and prospects of the Group.
- 1.5 The entire issued share capital of the Company is listed and will continue to be listed on the Stock Exchange at the Placing Completion Date and the Company is not aware of any circumstances whereby such listing will be suspended, cancelled or revoked. The Company is not in breach of any rules, regulations or requirements of the Stock Exchange or the SFC or any other regulatory authority or governmental agency which is material in the context of the Placing.

2. The Agreement and the Placing Shares

- 2.1 Subject to the fulfillment of the conditions precedent set out in Clause 3(A), the Company has full power to enter into and perform this Agreement and this Agreement will, when executed, constitute binding obligations on each of the Company in accordance with its terms.
- 2.2 Subject to the fulfillment of the conditions precedent set out in Clause 3(A), the allotment and issue of the Placing Shares fall have been duly authorised by the Company.
- 2.3 The Company has available for issue free from pre-emption rights sufficient authorised but unissued Shares to enable the allotment and issue of the Placing Shares.
- 2.4 Subject to the fulfillment of the conditions precedent set out in Clause 3(A), all consents, approvals, authorisations, orders, registrations and qualifications of or with any court or governmental agency or body and any other action or thing

required to be obtained, taken, fulfilled or done in Hong Kong and the Cayman Islands by the Company for or in connection with the allotment and issue of the Placing Shares and the consummation of the other transactions contemplated by this Agreement have been obtained, taken, fulfilled or done and are in full force and effect.

- 2.5 Subject to the fulfillment of the conditions precedent set out in Clause 3(A), the execution and delivery of this Agreement, the allotment and issue of the Placing Shares and the consummation of the transactions herein and therein contemplated and compliance with the terms hereof and thereof by the Company do not, and will not, at the time of execution and delivery or issue (as the case may be), (i) contravene the memorandum and articles of association of the Company in any way; or (ii) conflict with or result in breach of any of the terms or provisions of, or constitute a default under any indenture, trust deed, mortgage or other agreement of instrument to which the Company or any of its Subsidiaries is a party or by which any of them or any of their respective properties are bound; or (iii) infringe any existing applicable law, rule, regulation, judgment, order or decree of any government, governmental body or court, domestic or foreign, having jurisdiction over the Company, any such subsidiary or any of their respective properties.

3. The Company and members of the Group

- 3.1 Each of the Company and each of the companies in the Group is duly incorporated and validly existing under the laws of the place of its incorporation with power to conduct its business in the manner presently conducted.
- 3.2 Save as disclosed, there is no litigation, arbitration or other legal proceedings in progress or pending against any member of the Group which if decided adversely to the relevant member of the Group would have or have had a material adverse effect on the financial position of the Group (taken as a whole) or the Company and which is material in the context of the Placing nor is there any claim or fact likely to give rise to any claim which in any such case may have or has had a significant effect on the financial position of the Company and its subsidiaries taken as a whole or which is material in the context of the Placing;
- 3.3 Save as disclosed, there has been no material adverse change in the financial position of the Company since 31 December 2016 and there has been no development or occurrence relating to the financial or business condition or prospects of the Company or the Group which is not in the public domain and which would reasonably be expected to be material to potential purchasers of the Shares.
- 3.4 The audited consolidated statement of financial position of the Group as at 31 December 2016, the audited consolidated statement of comprehensive income of the Group for the financial year ended on such date (including the notes to those statements) were prepared in accordance with all applicable Laws and on a basis consistent with that adopted in preparing the audited accounts for the previous two financial periods and (subject to the applicable laws) in accordance with

accounting principles, standards and practices generally accepted in Hong Kong so as to give (except to the extent (if any) disclosed in those statement) a true and fair view of the state of affairs of the Group as at the relevant dates and the profit or loss of the Group for the relevant financial periods.

- 3.5 The statements, forecasts, estimates and expressions of opinion (if any) contained in the Announcement have been and will at the date of issue of the Announcement be made after due and proper consideration, are and will at the date of issue of the Announcement be fair and honest and represent reasonable expectations based on facts known to the Company and/or its directors or any of them.
- 3.6 Save as disclosed in 2016 Annual Report, 2017 Interim Report, 2017/2018 Announcements and the Announcement, since 31 December 2016, neither the Company nor any of its subsidiaries has entered into any contract or commitment of an unusual or onerous nature.
- 3.7 To the best knowledge and belief of the Company after having all necessary and reasonable enquiries:
- (a) no order has been made and no resolution has been passed for the winding up of, or for a provisional liquidator to be appointed in respect of, the Company or any of its subsidiaries,
 - (b) no petition has been presented and no meeting has been convened for the purpose of winding up the Company or any of its subsidiaries;
 - (c) no receiver has been appointed in respect of the Company or any of its subsidiaries or all or any of its assets;
 - (d) none of the Company or any of its subsidiaries is insolvent, or unable to pay its debts within the meaning of section 178 of the Companies (Winding Up and Miscellaneous Provisions) Ordinance or any analogous legislation elsewhere, or has stopped paying its debts as they fall due; and
 - (e) no unsatisfied judgement which is material to the financial position or prospects of the Group is outstanding against the Company or any of its subsidiaries.
- 3.8 The Announcement contains and will contain all information in relation to the Placing as required under the Listing Rules and all other applicable Laws in Hong Kong and the Cayman Islands;
- 3.9 The Company has not, directly or indirectly and shall procure that no connected person of the Company shall directly or indirectly, subscribe for or agree to subscribe for any of the Placing Shares from the Placing Agent or sub-placing agents.
- 3.10 The Placing will not have any implications under the Hong Kong Code on Takeovers and Mergers.

- 3.11 So far as the Company is aware, there are no circumstances relating to the Group or its financial or trading position or prospects which are not generally known but, if they were known to a potential subscriber of the Placing Shares might reasonably be expected to affect the decision of such person to acquire the Placing Shares on the terms of this Agreement or might affect the willingness of the potential subscriber to subscribe the Placing Shares.
- 3.12 No event or circumstance has occurred which constitutes or could constitute an infringement or default, or could result in the acceleration of any obligation, under any agreement, undertaking, instrument or arrangement to which any member of the Group is a party or by which any member of the Group or any of its properties, revenues and assets are bound and no member of the Group has received notice to repay under any agreement relating to any borrowing or indebtedness in the nature of borrowing on the part of any member of the Group which is repayable on demand, or to perform any guarantee or indemnity given by any of them in relation to the indebtedness or obligations of any person, and to the best knowledge of the Company there are no circumstances which is likely to lead to any of the aforesaid events, matters or circumstances arising or occurring.
- 3.13 The Company has read and understood the Professional Investor Treatment Notice (Schedule 3 to this Agreement) and acknowledges and agrees to the representations, waivers and consents contained in the Professional Investor Treatment Notice, in which the expressions “you” or “your” shall mean “the Company” and “Placing Agent” shall mean the Placing Agent or its affiliate.
- 3.14 Unless an exemption is applicable under applicable laws and regulations, if the Placing Agent solicits the sale of or recommend any financial product to the Company, the financial product must be reasonably suitable for the Company having regard to the Company's financial situation, investment experience and investment objectives. No other provision of this Agreement or any other document the Placing Agent may ask the Company to sign and no statement the Placing Agent may ask the Company to make derogates from this paragraph. For the purposes of this paragraph, “financial product” means any securities, futures contracts or leveraged foreign exchange contracts as defined under the SFO, and “leveraged foreign exchange contracts” mean those traded by persons licensed for Type 3 regulated activity under the SFO.

SCHEDULE 3

PROFESSIONAL INVESTOR TREATMENT NOTICE

PART A – INSTITUTIONAL INVESTOR TREATMENT NOTICE

1. You are a Professional Investor by reason of your being within a category of person described in paragraphs (a) to (i) of the definition of “professional investor” in Part 1 of Schedule 1 to the SFO and any subsidiary legislation thereunder (“**Institutional Professional Investor**”).
2. Since you are an Institutional Professional Investor, the Placing Agent is automatically exempt from certain requirements under the Code of Conduct for Persons Licensed by or Registered with the SFC (the “**Code**”), the Placing Agent has no regulatory responsibility to do but may in fact do some or all of the following in providing services to you:
 - 2.1 Information about clients
 - (i) establish your financial situation, investment experience and investment objectives, except where the Placing Agent is providing advice on corporate finance work;
 - (ii) ensure that a recommendation or solicitation is suitable for you in the light of your financial situation, investment experience and investment objectives;
 - (iii) assess your knowledge of derivatives and characterize you based on your knowledge of derivatives;
 - 2.2 Client agreement
 - (i) enter into a written agreement complying with the Code in relation to the services that are to be provided to you and provide you with the relevant risk disclosure statements;
 - 2.3 Information for client
 - (i) disclose related information to you in respect of the transactions contemplated under this Agreement;
 - (ii) inform you about their business or the identity and status of employees and others acting on their behalf with whom you will have contact;
 - (iii) promptly confirm the essential features of a transaction after effecting a transaction for you;
 - (iv) provide you with documentation on the NASDAQ – Amex Pilot Program (the “**Program**”), if you wish to deal through the Stock Exchange in securities admitted to trading on the Program;

2.4 Discretionary accounts

- (i) obtain from you an authority in written form prior to effecting transactions for you without your specific authority; and
 - (ii) explain the authority described under paragraph 2.4(i) of Part A of this Schedule 3 and confirm it on an annual basis.
3. You agree and acknowledge that the Placing Agent will not provide you with any contract notes, statements of account or receipts under the Hong Kong Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules (Chapter 571Q of the Laws of Hong Kong) where such would otherwise be required.

PART B – CORPORATE PROFESSIONAL INVESTOR TREATMENT NOTICE

1. You are a Professional Investor by reason of your being within a category of person described in sections 3(a), (c) and (d) of the Securities and Futures (Professional Investor) Rules (Chapter 571D of the Laws of Hong Kong) (“**Professional Investor Rules**”) (“**Corporate Professional Investor**”).

The following persons are Corporate Professional Investors under Sections 3(a), (c) and (d) of the Professional Investor Rules:

- (i) any trust corporation having been entrusted under the trust or trusts of which it acts as a trustee with total assets of not less than HKD\$40 million or its equivalent in any foreign currency at the relevant date or:
- (A) as stated in the most recent audited financial statement prepared:
 - (I) in respect of the trust corporation; and
 - (II) within 16 months before the relevant date;
 - (B) as ascertained by referring to one or more audited financial statements, each being the most recent audited financial statement, prepared:
 - (I) in respect of the trust or any of the trusts; and
 - (II) within 16 months before the relevant date; or
 - (C) as ascertained by referring to one or more custodian statements issued to the trust corporation:
 - (I) in respect of the trust or any of the trusts; and
 - (II) within 12 months before the relevant date;
- (ii) any corporation or partnership having:
- (A) a portfolio of not less than HK\$8 million or its equivalent in any foreign currency; or
 - (B) total assets of not less than HK\$40 million or its equivalent in any foreign currency,
- at the relevant date or as ascertained by referring to:
- (C) the most recent audited financial statement prepared:
 - (I) in respect of the corporation or partnership (as the case may be); and
 - (II) within 16 months before the relevant date; or

- (D) one or more custodian statements issued to the corporation or partnership (as the case may be) within 12 months before the relevant date; and
- (iii) any corporation the sole business of which at the relevant date is to hold investments and which is wholly owned by any one or more of the following persons:
 - (A) a trust corporation that falls within the description in paragraph (i);
 - (B) an individual who, either alone or with any of his associates on a joint account, falls within the description in Section 3(b) of the Professional Investor Rules;
 - (C) a corporation that falls within the description in paragraph (ii);
 - (D) a partnership that falls within the description in paragraph (ii).
- 2. The Placing Agent has made an assessment on you in accordance with Paragraph 15.3A of the Code and concluded that you are eligible to be a Corporate Professional Investor in relation to all investment products and markets.
- 3. You consent to being treated as a Corporate Professional Investor, understand the risks and consequences of consenting to being treated as a Corporate Professional Investor and agree that the Placing Agent has no regulatory responsibility to do but may in fact do some or all of the following in providing services to you:
 - 3.1 Information about clients
 - (i) establish your financial situation, investment experience and investment objectives, except where the Placing Agent is providing advice on corporate finance work;
 - (ii) ensure that a recommendation or solicitation is suitable for you in the light of your financial situation, investment experience and investment objectives;
 - (iii) assess your knowledge of derivatives and characterize you based on your knowledge of derivatives;
 - 3.2 Client agreement
 - (i) enter into a written agreement complying with the Code in relation to the services that are to be provided to you and provide you with the relevant risk disclosure statements;
 - 3.3 Information for client

- (i) disclose related information to you in respect of the transactions contemplated under this Agreement;
- (ii) inform you about the their business or the identity and status of employees and others acting on their behalf with whom you will have contact;
- (iii) promptly confirm the essential features of a transaction after effecting a transaction for you;
- (iv) provide you with documentation on the NASDAQ – Amex Pilot Program (the “**Program**”), if you wish to deal through the Stock Exchange in securities admitted to trading on the Program;

3.4 Discretionary accounts

- (i) obtain from you an authority in written form prior to effecting transactions for you without your specific authority; and
- (ii) explain the authority described under paragraph 2.4(i) of Part A of this Schedule 3 and confirm it on an annual basis.

4. You have the right to withdraw from being treated as a Corporate Professional Investor at any time in respect of all or any investment products or markets by giving a written notice to the Placing Agent.
5. You agree and acknowledge that the Placing Agent will not provide you with any contract notes, statements of account or receipts under the Hong Kong Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules (Chapter 571Q of the Laws of Hong Kong) where such would otherwise be required.

PART C – INDIVIDUAL PROFESSIONAL INVESTOR TREATMENT NOTICE

1. You are a Professional Investor by reason of your being within a category of person described in section 3(b) of the Securities and Futures (Professional Investor) Rules (Chapter 571D of the Laws of Hong Kong) (“**Professional Investor Rules**”) (“**Individual Professional Investor**”).

The following persons are Individual Professional Investors under Section 3(b) of the Professional Investor Rules:

- (i) any individual, either alone or with any of his associates on a joint account, having a portfolio of not less than HK\$8 million or its equivalent in any foreign currency at the relevant date or:
 - (A) as stated in a certificate issued by an auditor or a professional accountant of the individual within 12 months before the relevant date; or
 - (B) as ascertained by referring to one or more custodian statements issued to the individual (either alone or with the associate) within 12 months before the relevant date.
2. You consent to being treated as an Individual Professional Investor in respect of all investment products and markets, understand the risks and consequences of consenting to being treated as an Individual Professional Investor and agree that the Placing Agent has no regulatory responsibility to do but may in fact do some or all of the following in providing services to you:
 - (i) inform you about their business or the identity and status of employees and others acting on their behalf with whom you will have contact;
 - (ii) promptly confirm the essential features of a transaction after effecting a transaction for you; and
 - (iii) provide you with documentation on the NASDAQ – Amex Pilot Program (the “**Program**”), if you wish to deal through the Stock Exchange in securities admitted to trading on the Program.
3. You have the right to withdraw from being treated as an Individual Professional Investor at any time in respect of all or any investment products or markets by giving a written notice to the Placing Agent.
4. You agree and acknowledge that the Placing Agent will not provide you with any contract notes, statements of account or receipts under the Hong Kong Securities and Futures (Contract Notes, Statements of Account and Receipts) Rules (Chapter 571Q of the Laws of Hong Kong) where such would otherwise be required.
5. If the Placing Agent solicits the sale of or recommend any financial product to you, the financial product must be reasonably suitable for you having regard to your financial situation, investment experience and investment objectives. No

other provision of this Agreement or any other document the Placing Agent may ask you to sign and no statement the Placing Agent may ask you to make derogates from this paragraph 5 of Part C of this Schedule 3.

IN WITNESS whereof this Agreement has been executed on the day and year first above written.

THE COMPANY

SIGNED by *FONG CHING KONG*)

for and on behalf of)

NEW SPORTS GROUP LIMITED)

in the presence of:- *Victoria Leung*)

[Signature]

[Signature]

THE PLACING AGENT

SIGNED by *Eric Wong*)

for and on behalf of)

CCB INTERNATIONAL CAPITAL LIMITED)

in the presence of :- *Janny Wong*)

[Signature]

[Signature]

DATE: 10 January 2018

NEW SPORTS GROUP LIMITED

(as Company)

AND

CCB INTERNATIONAL CAPITAL LIMITED

(as Placing Agent)

PLACING AGREEMENT
relating to shares of
NEW SPORTS GROUP LIMITED
