



IN THE GRAND COURT OF THE CAYMAN ISLANDS

FINANCIAL SERVICES DIVISION

CAUSE NO: FSD OF 2025 ()

IN THE MATTER OF SECTIONS 15 & 16 OF THE COMPANIES ACT (2025 REVISION)

AND IN THE MATTER OF HONG KONG ENTERTAINMENT INTERNATIONAL HOLDINGS LIMITED

PETITION

TO The Grand Court of the Cayman Islands

The humble petition of Hong Kong Entertainment International Holdings Limited (the **Company**) of Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands shows that:

INTRODUCTION

- 1 By this Petition, the Company seeks an Order of the Court, pursuant to section 16 of the Companies Act (2025 Revision) (the **Act**), confirming a reduction of the capital of the Company which has been approved by a special resolution of the Company's shareholders (the **Capital Reduction**).

THE COMPANY

- 2 The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 21 April 2016 with registration number 310741 by the Registrar of Companies of the Cayman Islands. The Company is registered as a non-Hong Kong company in Hong Kong with business registration number 66236516.

Registered Office and Principal Place of Business of the Company

- 3 The address of the Company's registered office is Windward 3, Regatta Office Park, P.O. Box 1350, Grand Cayman KY1-1108, Cayman Islands and its principal place of business in Hong Kong is 18/F, V. Heun Building, 138 Queen's Road Central, Central, Hong Kong.

Share Capital of the Company

- 4 On incorporation, the Company had an authorised share capital of HK\$100,000,000 divided into 10,000,000,000 shares of HK\$0.01 each. Since incorporation, the Company has undergone various reorganisations of its authorised and issued share capital.
- 5 The shares of the Company (the **Shares**, referring to the Existing Shares, or Consolidated Shares or New Shares, as the case may be) have been listed on the GEM of The Stock Exchange of Hong Kong Limited (the **HKSE**) with Stock Code 8291 since 18 July 2017.
- 6 As at the date of this Petition and as a result of a share consolidation as discussed in paragraph 14 below, the Company has an authorised share capital of HK\$100,000,000 divided into 166,666,666 Shares with a par value of HK\$0.60 each, of which 53,333,333 Shares (representing share capital in the amount of HK\$32,000,000) are issued and fully paid up or credited as fully paid up. Prior to the share consolidation, which became effective on 16 September 2025, the Company had an authorised share capital of HK\$100,000,000 divided into 500,000,000 ordinary Shares of HK\$0.20 each (the **Existing Shares**) of which 160,000,000 Shares (representing share capital in the amount of HK\$32,000,000) are issued and fully paid up or credited as fully paid up.

The Company's Objects and Business

- 7 The objects for which the Company was established are unrestricted, but include, without limitation, to act and perform all the functions of a holding company, to act as an investment company, and to carry on types of business as more particularly set forth in the Company's Second Amended and Restated Memorandum of Association and Articles of Association as adopted by special resolution passed at a general meeting on 28 June 2023 (the **Articles**).

- 8 The Company is an investment holding company. At all material times, its principal activity was and is acting as the ultimate holding company of a group of subsidiaries¹ (the Company and its subsidiaries collectively referred to as the **Group**). The Group is principally engaged in 1) manufacturing and sales of tinplates and tinplate packaging products in the People's Republic of China, and 2) repackaging and sales of products in Hong Kong.

CAPITAL REDUCTION

The Articles – Power to reduce the Company's share capital

- 9 Article 14 of the Articles provides as follows:

"The Company may by Special Resolution² reduce its share capital or undistributable reserve in any manner authorised, and subject to any conditions prescribed, by law."

The EGM

- 10 On 12 September 2025, the Company held an extraordinary general meeting of the Company's shareholders (the **EGM**).
- 11 At the EGM, the following special resolution was duly passed in accordance with the Articles and s 60 of the Act (the **Special Resolution**):

SPECIAL RESOLUTION

***"RESOLVED THAT,** subject to and conditional upon (i) the Grand Court granting an order confirming the Capital Reduction; (ii) compliance with any condition which the Grand Court may*

¹ Including Wan Cheng Group Limited, Wan Cheng Group (Hong Kong) Limited, Ganyu Selection Limited, and Ganyu Supply Chain Limited; noting that Foshan City Shunde Wancheng Metal Packaging Company Limited was recently disposed in July 2025 (see **page 138** of Exhibit WY-1 and paragraph 56 of the Affirmation of Wang Yun).

² Article 1(d) of the Articles provides: at all times during the Relevant Period a resolution shall be a Special Resolution when it has been passed by a majority of not less than $\frac{3}{4}$ of the votes cast by such Shareholders as, being entitled so to do, vote in person or by proxy or, in the cases of Shareholders which are corporations, by their respective duly authorised representatives at a general meeting held in accordance with these Articles and of which notice in writing specifying the intention to propose the resolution as a special resolution has been duly given in accordance with Article 65.

"Relevant Period" means the period commencing from the date on which any of the securities of the Company first become listed on the HK Stock Exchange to and including the date immediately before the day on which none of such securities are so listed (and so that if at any time trading of any such securities is suspended for any reason whatsoever and for any length of time, they shall nevertheless be treated, for the purpose of this definition, as listed). (Article 1(b) of the Articles)

impose in relation to the Capital Reduction; (iii) registration by the Registrar of Companies of the Cayman Islands of a copy of the order of the Grand Court confirming the Capital Reduction and the minute approved by the Grand Court containing the particulars required under the Companies Act in respect of the Capital Reduction; and (iv) the Listing Committee of the Stock Exchange granting the listing of, and permission to deal in, the New Shares arising from the Capital Reorganisation:

(a) Every three (3) issued and unissued Existing Shares of par value of HK\$0.20 each be consolidated into one (1) Consolidated Share of par value of HK\$0.60 each;

(b) the issued share capital of the Company be reduced by cancelling the paid-up share capital of the Company to the extent of HK\$0.594 on each of the issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$0.60 to HK\$0.006;

(c) the credit arising from the Capital Reduction will be applied towards offsetting against the accumulated loss of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated loss of the Company; and

(d) immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Shares of par value of HK\$0.60 each in the authorised share capital of the Company will be subdivided into one hundred (100) authorised but unissued Adjusted Shares of par value of HK\$0.006 each."

- 12 Together, the Share Consolidation, the Capital Reduction and Share Sub-division are steps involved in the proposed capital reorganisation of the Company (the **Capital Reorganisation**).

The Effect of the Capital Reorganisation

- 13 As of 14 August 2025, being the latest practicable date prior to the printing of the circular containing notice of the EGM for ascertaining certain information referred (the **Latest Practicable Date**), the authorised share capital of the Company is HK\$100,000,000 divided into 500,000,000 Shares of par value HK\$0.20 each, of which 160,000,000 Shares are in issue and are fully paid or credited as fully paid.

- 14 The Company resolved by special resolution on 12 September 2025 to implement a share consolidation on the basis that every three (3) issued and unissued Shares of par value of HK\$0.20 each be consolidated into one (1) consolidated share of par value of HK\$0.60 each (the **Share Consolidation**).
- 15 On the effective date of the Share Consolidation, 16 September 2025, the authorised share capital of the Company became HK\$100,000,000 divided into 166,666,666 consolidated Shares of par value HK\$0.60 each (the **Consolidated Shares**), of which 53,333,333 Consolidated Shares will have been issued and fully paid or credited as fully paid (i.e. the Share Consolidation as referred to in the above Special Resolution).
- 16 Now that the Share Consolidation has become effective, the Company intends to implement a capital reduction and share sub-division, pursuant to which:
- 16.1 the issued share capital of the Company will be reduced by cancelling the paid-up share capital of the Company to the extent of HK\$0.594 on each of the issued Consolidated Shares such that the par value of each issued Consolidated Share will be reduced from HK\$0.60 to HK\$0.006 (i.e. the **Capital Reduction** as stated in the above special resolution);
- 16.2 immediately following the Capital Reduction becoming effective, each of the authorised but unissued Consolidated Shares of par value of HK\$0.60 each will be subdivided into one hundred (100) authorised but unissued new shares of par value of HK\$0.006 each (the **New Shares**) (i.e. the **Share Subdivision** as stated in the above special resolution);
- 16.3 based on 53,333,333 Consolidated Shares, a credit amounting to HK\$31,680,000 will arise as a result of the Capital Reduction. It is proposed that the credit arising from the Capital Reduction will be credited to the distributable reserve account of the Company, which will be utilised by the Company in such manner as the board of directors (the **Board**) may deem fit and is permitted under all applicable laws and the Articles.

The Reasons for the Capital Reorganisation

Share Consolidation

- 17 Pursuant to Rule 17.76 of the Rules Governing the Listing of Securities on Growth Enterprise Market (**GEM**) of the HKSE (the **GEM Listing Rules**), where the market price of the share approaches the extremities of HK\$0.01 or HK\$9,995.00, the HKSE reserves the right to require the listed issuer to either change the trading method or to proceed with a consolidation or splitting of its securities.
- 18 The “Guide on Trading Arrangements for Selected Types of Corporate Actions” issued by the Hong Kong Exchanges and Clearing Limited on 28 November 2008 (and updated in September 2024) has further stated that:
- (i) market price of the share at a level less than HK\$0.10 each will be considered as trading at extremity as referred to under Rule 17.76 of the GEM Listing Rules; and
 - (ii) taking into account that the minimum transaction costs for a securities trade, the expected value per board lot should be greater than HK\$2,000.
- 19 Based on the closing price of HK\$0.077 per Existing Share (equivalent to HK\$0.231 per Consolidated Share) as quoted on the HKSE on 22 July 2025 (the date of the first announcement). The expected market value of each board lot of 7,500 Consolidated Shares would be HK\$1,732.5, which is less than HK\$2,000 per board lot.
- 20 In view of this, the Board proposes to effect the Capital Reorganization and the Change in Board Lot Size (defined below) in order to comply with the trading requirements of the GEM Listing Rules. It is expected that the proposed Share Consolidation would bring about a corresponding upward adjustment in the trading price of the Consolidated Shares on the HKSE.
- 21 As at the Latest Practicable Date, the Shares are traded on the HKSE in board lot of 7,500 Shares. The Board proposes to change the board lot size for trading on the HKSE from 7,500 Shares to 10,000 Consolidated Shares conditional upon the Share Consolidation becoming effective (the **Change in Board Lot Size**). Based on the closing price of HK\$0.077 per Share as at the date of the first announcement, i.e. on 22 July 2025, (i) the value of each existing board lot of 7,500 Shares is

HK\$577.5; (ii) the value of each board lot of 7,500 Consolidated Shares would be HK\$1,732.5 upon the Share Consolidation becoming effective; and (iii) the estimated value per board lot of 10,000 Consolidated Shares would be HK\$2,310 assuming that the Share Consolidation and the Change in Board Lot Size becoming effective. It is noted that Shareholders' approval is not required for the Change in Board Lot Size. However, the Change in Board Lot Size is conditional on the Share Consolidation having become effective. The Company would not have proceeded with the Change in Board Lot Size if the Share Consolidation had been voted down at the EGM.

- 22 The Share Consolidation and the Change in Board Lot Size therefore enables the Company to comply with the trading requirements under Rule 17.76 of the GEM Listing Rules.

Capital Reduction / Share Subdivision

- 23 Under the Act, the Company may not issue Shares at a discount to their nominal value. Immediately after completion of the Share Consolidation but before implementation of the Capital Reduction and the Share Sub-division, the nominal value of the Consolidated Shares was HK\$0.60 per Consolidated Share.
- 24 The Capital Reduction and Share Subdivision will keep the nominal value of the Consolidated Shares at a lower level of HK\$0.006 per New Share, which allows greater flexibility in the pricing for any issue of new Shares in the future.
- 25 The credit arising from the Capital Reduction will be applied towards offsetting against the accumulated loss of the Company as at the effective date of the Capital Reduction, thereby reducing the accumulated loss of the Company, or in any manner permitted by application laws and the Articles.
- 26 It is anticipated that the Capital Reorganisation will help to attract more investors and extend the base of the shareholders of the Company, provide flexibility for equity fund raising of the Company in the future and eliminate a substantial amount of the Company's accumulated losses, hence, allowing greater flexibility for the Company to pay dividends in the future.
- 27 Accordingly, the directors of the Company are of the view that the implementation of the Capital Reorganisation is beneficial to and in the interests of the Company and the Shareholders as a whole.

- 28 As at the date of this petition, the Company has no intention or plan to carry out other corporate actions in the next 12 months that may have an effect of undermining or negating the intended purpose of the Capital Reorganisation, and the Company does not have any concrete plan to conduct any fundraising activities in the next 12 months. However, the Board cannot rule out the possibility that the Company will conduct debt and/or equity fund raising exercises when suitable fund-raising opportunities arise in order to support future development of the Group. The Company will make further announcement in this regard in accordance with the GEM Listing Rules as and when appropriate.
- 29 The Capital Reorganisation will not have any material adverse effect on the financial position of the Company nor result in change in the relative rights of the Shareholders and are in the interests of the Company and the shareholders of the Company as a whole.
- 30 The Capital Reduction is for a discernible purpose.
- 31 The Capital Reduction does not involve either the diminution of any liability in respect of unpaid share capital or the payment to any shareholder of any paid-up share capital.
- 32 Save for the application of the credit arising from the Capital Reduction (as referred to in paragraph 25 above) and expenses to be incurred in relation to the Capital Reduction, the Capital Reduction will not alter the underlying assets, business operations or management of the Company or the interests or rights of the Shareholders, save that any fractional Consolidated Shares will not be allocated to the Shareholders who may otherwise be entitled to them.

Proposed form of minute

- 33 The form of minute to be registered with the Registrar of the Companies is as follows:

*"The issued share capital of Hong Kong Entertainment International Holdings Limited (the **Company**) was by virtue of a Special Resolution of the Company dated 12 September 2025 (the **Special Resolution**) and with the confirmation of an order of the Grand Court of the Cayman Islands dated [date] (the **Order**) reduced from HK\$32,000,000 divided into 53,333,333 Consolidated Shares of HK\$0.60 each to HK\$320,000 divided into 53,333,333 New Shares of HK\$0.006 each (the **Capital Reduction**). Upon such Capital Reduction taking effect, the authorised share capital of the Company will be changed from*

HK\$100,000,000 divided into 166,666,666 Consolidated Shares of HK\$0.60 each to HK\$100,000,000 divided into 16,666,666 New Shares of HK\$0.006 each."

34 It is appropriate for the Court to confirm the Capital Reduction.

Your Petitioner therefore humbly prays that:

- 1 The Capital Reduction which is to be effected by the Special Resolution set out in paragraph 11 above be confirmed and the form of minute set out in paragraph 33 above be approved by the Court.
- 2 That all necessary inquiries may be made and directions may be given.
- 3 Such further or other orders as the Court thinks fit.

AND your Petitioners will ever pray etc.

Dated this 5th day of December 2025

Harney Westwood & Riegels (Cayman) LLP

Harney Westwood & Riegels (Cayman) LLP

Attorneys-at-Law for the Petitioner

NOTE This Petition is not intended to be served.

THIS PETITION was presented by Harney Westwood & Riegels, Attorneys for the Petitioner, whose address for service is 3rd Floor, Harbour Place, 103 South Church Street, PO Box 11088, Grand Cayman KY1-1008, Cayman Islands (Ref: 067441.0002-JGW/LJF).