This summary aims to give you an overview of the information contained in this document. As this is a summary, it does not contain all the information that may be important to you. You should read the entire document before you decide to invest in our **[REDACTED]**. *There are risks associated with any investment. Some of the particular risks in investing in our* **[REDACTED]** *are set out in the section headed "Risk Factors" in this document. You should read that section carefully before you decide to invest in our* **[REDACTED]**. *Various expressions used in this section are defined in the sections headed "Definitions" and "Glossary of Technical Terms" in this document.*

OVERVIEW

Music is an essential part of human culture and everyday life, embedded across a wide range of scenarios and delivering irreplaceable emotional and cultural value. As the leader in the global independent Chinese-language music content and services industry in terms of revenue in 2025 and a pioneer in the music full-industry-chain ecosystem integration, according to Frost & Sullivan, we are committed to providing music creators and industry participants with comprehensive, one-stop music content and services. From the age of physical records to digital music and, more recently, to a data-driven and AI-enabled music era, we have consistently led the development of Chinese-language music and shaped its aesthetic direction. In parallel, through overseas distribution of Chinese-language music and cross-border collaborations, we continue to promote the global reach of Chinese-language music.

We operate and collaborate with a diversified portfolio of music IP assets across multiple categories. Our platform comprises traditional iconic labels with long-standing industry influence, including Taihe Rye (太合麥田) and Ocean Butterflies Music (海蝶音樂), mainstream pop labels that shape market trends, including Diversity Music (容合音樂) and AsiaMuse Entertainment (亞神音樂娛樂), as well as avant-garde and genre-driven labels focused on emerging styles, including Maybe Mars (兵馬司) and Ruby Eyes (赤瞳音樂). In parallel, we have established professional copyright operation and distribution platforms, including Touch Music Publishing (大石音樂版權), Taihe Musician (太合樂人), Yinzhibang (音之邦) and ShowStart Release (秀動發行), enabling systematic management and commercialization of music IP. We further extend our IP into live entertainment and audience engagement through proprietary programs such as Rye Music Festival (麥田音樂節), Rye Music Weekend (麥田音樂週末) and TaiYouth (太校園), supported by integrated online-and-offline ticketing services through our ShowStart (秀動) platform.

Our business centers on two core categories of IP assets, namely music IP, and artist and live entertainment IP, together with the extensions of such IP assets. Through music catalogue operation, artist management and live entertainment business and ticketing and other services, we operate a full-industry-chain, one-stop service platform that commercializes music across its entire lifecycle.

OUR COMPETITIVE STRENGTHS

We believe that the following competitive strengths differentiate us from our competitors and have contributed to our success: (i) leading market position underpinned by our high-quality IP portfolio; (ii) dynamic IP activation and continuous enrichment of high-potential IP; (iii) full-industry-chain ecosystem integration enabling synergistic value creation; (iv) proven and diversified monetization capabilities; (v) technology-enabled operations powered by data and AI analytics; and (vi) experienced and insightful management team with robust shareholder support.

OUR STRATEGIES

We intend to pursue the following strategies to further grow our business: (i) continuously expanding high-quality IP to reinforce market leadership; (ii) expanding monetization opportunities through enhanced IP operations; (iii) increasing technology investment to advance AI- and data-driven capabilities; (iv) advancing the international development of Chinese-language music; (v) strengthening the music ecosystem through deeper industry value chain integration; and (vi) enhancing talent development and talent reserves to support sustainable growth.

OUR BUSINESS

Our core business is organized around the incubation, operation and monetization of our IP portfolio, comprising music IP, artist and live entertainment IP, and their extensions. We commercialize these IPs through three interrelated business lines – music catalogue operation, artist management and live entertainment business, and ticketing and other services – which together cover the key stages of the music value chain. Our music catalogue operation serves as the primary platform for the management and exploitation of music IP, encompassing music recordings, musical works and related rights, and enabling distribution and licensing across multiple channels and usage scenarios. Our artist management and live entertainment business focuses on the development, operation and commercialization of artist and live entertainment IP, through artist management services and the production and operation of live entertainment events. Our ticketing and other services business serves as a key extension of both music IP and artist and live entertainment IP by amplifying artist exposure, expanding music dissemination and enabling audience engagement across scenarios. These business lines are closely integrated and mutually reinforcing, allowing music IP to be scaled through artist and live entertainment IP, and further amplified through ticketing and related services. Through this integrated structure, we are able to systematically convert IP creation into diversified and scalable commercial applications and maximize the long-term value of our IP assets.

During the Track Record Period, we generate revenue from the following business lines:

- **Music Catalogue Operation:** We primarily generate revenue from licensing our music content to music streaming platforms and other music service providers and selling digital and physical copies of our music content.

- **Artist Management and Live Entertainment Business:** We primarily generate revenue from (i) providing services to customers by arranging our managed or collaborating artists to participate in commercial activities, such as commercial performance, endorsement deals and business promotion events, and (ii) producing and operating a variety of entertainment events, such as concerts, music festivals, livehouse performances and performing arts events.

- **Ticketing and Other Services:** We primarily generate revenue from online ticketing services through our ShowStart platform for third-party live entertainment events. We also offer other third-party services, including public broadcasting and young musical talent development.

SALES AND MARKETING

Our sales and marketing activities are carried out by a dedicated in-house team with extensive experience in the music and entertainment industry. As of December 31, 2025, our sales and marketing team consisted of 36 personnel, with core team members possessing substantial and well-established industry experience in music marketing, digital content promotion and platform operations. The team is responsible for sales outreach, marketing planning and customer engagement across our business lines, and supports collaboration with online platforms, artists, record labels and other industry partners.

PRICING

We adopt segment-specific pricing strategies that reflect the nature of our products and services, prevailing market practices and the commercial characteristics of each business line. Pricing for our music catalogue operation is primarily determined through licensing arrangements. In determining licensing fees and revenue-sharing arrangements, we generally consider factors such as the scope and duration of licensed rights, usage scenarios, historical and expected consumption volume, content popularity, platform user base and prevailing market standards. For artist management, pricing is typically determined on a project-by-project basis, taking into account factors such as the scope and nature of the engagement, duration, expected public exposure, the artist's profile and market positioning, past commercial arrangements, and prevailing market terms. For live entertainment events hosted or co-hosted by us, including concerts, livehouse performances and music festivals, event-level pricing primarily relates to ticket prices and, where applicable, sponsorship or other ancillary income. For our online ticketing services, pricing is determined with reference to the scope of services provided, event type, ticket volume, system and operational requirements, and market practice.

OUR CUSTOMERS

During the Track Record Period, our customers primarily consisted of (i) online music platforms and other music service providers, (ii) online video, long-form audio and media platforms, (iii) event organizers, promoters and venues, and (iv) brand customers and other commercial counterparties. During the Track Record Period, revenue attributable to our five largest customers amounted to RMB377.3 million, RMB357.6 million and RMB446.1 million in 2023, 2024 and 2025, respectively, representing 43.8%, 25.2% and 34.3% of our total revenue for the corresponding periods. During the same periods, revenue attributable to our single largest customer amounted to RMB204.5 million, RMB211.2 million and RMB218.1 million in 2023, 2024 and 2025, respectively, representing 23.8%, 14.9% and 16.8% of our total revenue for the corresponding periods.

OUR SUPPLIERS

During the Track Record Period, our suppliers primarily consisted of (i) artists and other creative talent, (ii) music copyright holders and content providers, (iii) event-related service providers, and (iv) technical and operational service providers. During the Track Record Period, purchases attributable to our five largest suppliers amounted to RMB139.9 million, RMB511.6 million and RMB474.8 million in 2023, 2024 and 2025, respectively, representing 22.6%, 45.4% and 47.8% of our total purchases for the corresponding periods. The credit period with our five largest suppliers typically ranges from two weeks to one month subsequent to the invoice date, depending on the nature of the services or rights provided and the terms of the relevant contracts, and we generally settle payments by bank transfer. During the Track Record Period, the purchase amount attributable to our largest supplier was RMB45.1 million, RMB351.5 million and RMB333.0 million in 2023, 2024 and 2025, respectively, representing 7.3%, 31.2% and 33.5% of our total purchases for the corresponding periods.

COMPETITION

We primarily operate and compete within the global Chinese-language music content and services market. According to Frost & Sullivan, in 2025, the market size reached approximately RMB61.8 billion with an impressive CAGR of approximately 35.0% from 2021 to 2025. Within this market, participants can generally be classified into the Big Three and independent music content and service providers. The distinction of these two types of players is not merely based on scale or geographic coverage, but reflects differences in operating model. According to Frost & Sullivan, in 2025, we ranked first in the global independent Chinese-language music content and services market in terms of revenue. The competitive landscape among independent music content and service providers in the global Chinese-language music content and services market is highly fragmented, with the top five players collectively accounting for approximately 7.5% of the market in 2025.

RISK FACTORS

Our operations and the **[REDACTED]** involve certain risks and uncertainties, including (i) risks relating to our business and industries, (ii) risks relating to doing business in the jurisdictions in which we operate, and (iii) risks relating to the **[REDACTED]**, which are set out in the section headed "Risk Factors" in this document. You should read that section in its entirety carefully before you decide to invest in the **[REDACTED]**. Some of the major risks we face include, but are not limited to:

- Our business is highly sensitive to public tastes and is dependent on our ability to develop and secure popular music content, and we may not be able to anticipate or respond effectively to changes in audience preferences and market trends, which could materially and adversely affect our business, financial condition and results of operations;
- We generate a significant portion of our revenue from our artist management and live entertainment business. If we fail to maintain our relationship with artists, enlarge our artist pool or enhance our artists' market influence and monetization, our business, financial condition and results of operations could be materially and adversely affected;
- Our business depends on our managed artists and collaborating artists' reputation and the public's perception of our brand. Any negative publicity or serious misconduct involving our artists may harm our brand image, result in regulatory restrictions on the distribution of associated music content, and materially and adversely affect our business, financial condition or results of operations;
- The production and operation of live entertainment events are subject to uncertainties, including safety, regulatory and operational risks. There is no guarantee that our live entertainment events can generate profit;
- Our business depends, in significant part, on the general prosperity and development of the global Chinese-language music content and services market, discretionary consumer spending, and corporate spending;
- We may not be able to renew our music content licensing arrangements with third-party rights holders on acceptable terms, which could reduce the scale and competitiveness of our music catalogue;
- We may fail to adequately protect our intellectual property rights, which could have a negative impact on our business, competitive position and prospects;
- We may not be able to compete effectively against our competitors in the entertainment industry;
- We recorded net liabilities and net current liabilities as of December 31, 2023, 2024 and 2025, and may record such positions in the future; and
- The exclusivity provisions in our artist management contracts may be difficult to enforce, and artists may engage with competitors upon contract expiration, which could result in the loss of key revenue-generating talent.

SUMMARY OF HISTORICAL AND FINANCIAL INFORMATION

The summary financial data set forth below should be read together with, and is qualified in its entirety by reference to, our financial statements in this document, including the related notes. Our consolidated financial information was prepared in accordance with IFRS.

Summary of Consolidated Statements of Profit or Loss

The following table sets forth a summary of our consolidated statements of profit or loss for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)					
Revenue	860,594	100.0	1,419,081	100.0	1,300,308	100.0
Cost of revenue	(533,246)	(62.0)	(1,030,631)	(72.6)	(903,770)	(69.5)
Gross profit	**327,348**	**38.0**	**388,450**	**27.4**	**396,538**	**30.5**
Selling and marketing expenses	(121,043)	(14.1)	(132,466)	(9.3)	(123,005)	(9.5)
General and administrative expenses	(96,360)	(11.2)	(100,772)	(7.1)	(101,264)	(7.8)
Research and development expenses	(12,894)	(1.5)	(9,913)	(0.7)	(9,930)	(0.8)
Net impairment losses on financial assets	(17,279)	(2.0)	(40,060)	(2.8)	(12,725)	(1.0)
Net impairment losses on non-financial assets	(6,279)	(0.7)	–	–	–	–
Other income	12,199	1.4	5,359	0.4	10,470	0.8
Other gains – net	1,820	0.2	6,953	0.5	18,178	1.4
Operating profit	**87,512**	**10.2**	**117,551**	**8.3**	**178,262**	**13.7**
Finance income	18,510	2.2	10,713	0.8	7,886	0.6
Finance costs	(3,691)	(0.4)	(4,286)	(0.3)	(2,895)	(0.2)
Finance income – net	14,819	1.7	6,427	0.5	4,991	0.4
Fair value changes of convertible redeemable preferred shares	(54,957)	(6.4)	(35,369)	(2.5)	(14,045)	(1.1)
Share of net profit/(loss) of investments accounted for using the equity method	8,178	1.0	(218)	(0.0)	246	0.0
Profit before income tax	**55,552**	**6.5**	**88,391**	**6.2**	**169,454**	**13.0**
Income tax expense	(21,700)	(2.5)	(32,719)	(2.3)	(49,070)	(3.8)
Profit for the year	**33,852**	**3.9**	**55,672**	**3.9**	**120,384**	**9.3**

For a detailed discussion of the major components of our consolidated statements of profit or loss during the Track Record Period, see "Financial Information – Description of Major Components of Our Results of Operations".

Non-IFRS Financial Measures

To supplement our consolidated financial statements, which are presented in accordance with IFRS, we also use adjusted net profit *(non-IFRS measure)*, EBITDA *(non-IFRS measure)* and adjusted EBITDA *(non-IFRS measure)* as additional financial measures, which are not required by, or presented in accordance with IFRS. We believe these non-IFRS measures facilitate comparisons of operating performance from year to year and company to company by eliminating potential impacts of certain items that our management does not consider to be indicative of our operating performance. We believe that these measures provide useful information to investors and others in understanding and evaluating our combined results of operations in the same manner as they help our management. However, such non-IFRS financial measures we presented may not be directly comparable to similar measures presented by other companies. The use of these non-IFRS measures should not be considered as substitute for analysis of our results of operations or financial condition as reported under IFRS.

We provide a reconciliation of adjusted net profit *(non-IFRS measure)*, EBITDA *(non-IFRS measure)* and adjusted EBITDA *(non-IFRS measure)*, calculated and presented in accordance with IFRS. Adjusted net profit *(non-IFRS measure)* refers to profit for the year adjusted by fair value changes of convertible redeemable preferred shares and **[REDACTED]**. EBITDA *(non-IFRS measure)* refers to profit for the year adjusted by finance income, net, income tax expense, and depreciation and amortization. Adjusted EBITDA *(non-IFRS measure)* refers to EBITDA *(non-IFRS measure)* adjusted by fair value changes of convertible redeemable preferred shares and **[REDACTED]**. The following table reconciles our adjusted net profit *(non-IFRS measure)*, EBITDA *(non-IFRS measure)* and adjusted EBITDA *(non-IFRS measure)* presented to the most directly comparable financial measure calculated and presented in accordance with IFRS, which is profit for the year.

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Profit for the year	**33,852**	**55,672**	**120,384**
Adjustment for:			
Fair value changes of convertible redeemable preferred shares	54,957	35,369	14,045
[REDACTED]	–	–	**[REDACTED]**
Adjusted net profit *(non-IFRS measure)*	**88,809**	**91,041**	**143,501**

	Year ended December 31,		
	2023	**2024**	**2025**
	(RMB in thousands)		
Profit for the year	**33,852**	**55,672**	**120,384**
Adjustment for:			
Finance income – net	(14,819)	(6,427)	(4,991)
Income tax expense	21,700	32,719	49,070
Depreciation and amortization	111,145	139,914	122,815
EBITDA *(non-IFRS measure)*	**151,878**	**221,878**	**287,278**

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Adjustment for:			
Fair value changes of convertible redeemable preferred shares	54,957	35,369	14,045
[REDACTED]	–	–	**[REDACTED]**
Adjusted EBITDA *(non-IFRS measure)*	**206,835**	**257,247**	**310,395**

Revenue

Revenue Breakdown by Business Lines

During the Track Record Period, our revenue was primarily derived from three business lines, namely (i) music catalogue operation, (ii) artist management and live entertainment business, and (iii) ticketing and other services. The following table sets forth our revenue breakdown by business lines in absolute amounts and as a percentage of our total revenue for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentages)					
Music catalogue operation	470,685	54.7	471,334	33.2	554,054	42.6
Artist management and live entertainment business	360,899	41.9	918,921	64.8	707,384	54.4
Ticketing and other services[(1)]	29,010	3.4	28,826	2.0	38,870	3.0
Total	**860,594**	**100.0**	**1,419,081**	**100.0**	**1,300,308**	**100.0**

Note:

(1) "Other services" primarily comprised public broadcasting services.

Revenue by Geographic Markets

In terms of geographical markets, we generated a majority of our revenue from the Chinese mainland during the Track Record Period. The following table sets out a breakdown of our revenue by geographical locations, in absolute amounts and as a percentage of our total revenue, for the periods indicated:

	Year ended December 31,					
	2023		2024		2025	
	Amount	%	Amount	%	Amount	%
	(RMB in thousands, except for percentage)					
Chinese mainland	791,197	91.9	1,344,256	94.7	1,228,131	94.4
Others[1]	69,397	8.1	74,825	5.3	72,177	5.6
Total	**860,594**	**100.0**	**1,419,081**	**100.0**	**1,300,308**	**100.0**

Note:

(1) Primarily represented Singapore, Hong Kong and Malaysia.

Cost of Revenue

Our cost of revenue consists primarily of artist costs, music content production and procurement costs, and performance and execution costs. Our cost of revenue amounted to RMB533.2 million, RMB1,030.6 million and RMB903.8 million in 2023, 2024 and 2025, respectively, accounting for 62.0%, 72.6% and 69.5%, respectively, of our revenue in the corresponding periods.

Gross Profit and Gross Profit Margin

Our gross profit represents our revenue less our cost of revenue, and our gross profit margin represents gross profit divided by our revenue, expressed as a percentage. In 2023, 2024 and 2025, we had gross profits of RMB327.3 million, RMB388.5 million and RMB396.5 million, respectively. During the same periods, our gross profit margin was 38.0%, 27.4% and 30.5%, respectively.

Profit for the Year

Our profit for the year amounted to RMB33.9 million, RMB55.7 million and RMB120.4 million in 2023, 2024 and 2025, respectively.

Summary of Consolidated Statements of Financial Position

The following table sets forth selected information from our consolidated statements of financial position as of the dates indicated, which has been extracted from our audited consolidated financial statements included in Appendix I to this document.

	As of December 31,		
	2023	2024	2025
	(RMB in thousands)		
Total current assets	1,268,860	1,499,164	1,495,092
Total non-current assets	520,214	475,967	422,829
Total assets	**1,789,074**	**1,975,131**	**1,917,921**
Total current liabilities	2,177,334	2,312,199	2,114,687
Total non-current liabilities	7,725	18,623	12,600
Total liabilities	**2,185,059**	**2,330,822**	**2,127,287**
Net current liabilities	**908,474**	**813,035**	**619,595**
Net liabilities	**395,985**	**355,691**	**209,366**
Share capital	205	205	205
Treasury shares	(2,457)	(2,457)	(2,457)
Other reserves	825,457	764,812	791,003
Accumulated losses	(1,174,665)	(1,118,509)	(998,117)
Non-controlling interests	(44,525)	258	–
Deficits on total equity	**(395,985)**	**(355,691)**	**(209,366)**
Total equity and total liabilities	**1,789,074**	**1,975,131**	**1,917,921**

Our net liabilities and net current liabilities positions during the Track Record Period were mainly due to the financial liabilities related to our convertible redeemable preferred shares. The convertible redeemable preferred shares will be re-designated from liabilities to equity as a result of the automatic conversion into Ordinary Shares upon **[REDACTED]** such that we expect our net liabilities and net current liabilities positions would turn into net assets and net current assets positions, respectively.

For a detailed discussion of our current assets and current liabilities during the Track Record Period, see "Financial Information – Discussion on Key Items of Consolidated Statements of Financial Position".

Summary of Consolidated Statements of Cash Flows

The following table sets forth a summary of our cash flow for the periods indicated.

	Year ended December 31,		
	2023	2024	2025
	(RMB in thousands)		
Net cash generated from operating activities	191,613	73,490	507,858
Net cash (used in)/generated from investing activities	(466,574)	163,156	(549,747)
Net cash generated from/(used in) financing activities	582,896	(7,933)	(141,100)
Net increase/(decrease) in cash and cash equivalents	307,935	228,713	(182,989)
Cash and cash equivalents at beginning of year	213,628	547,040	778,664
Effects of exchange rate changes on cash and cash equivalents	25,477	2,911	(5,172)
Cash and cash equivalents at end of year	547,040	778,664	590,503

Key Financial Ratios

The following table sets forth our key financial ratios for the periods indicated.

	For the year ended December 31,		
	2023	2024	2025
Gross profit margin(1)	38.0%	27.4%	30.5%
Net profit margin(2)	3.9%	3.9%	9.3%
Adjusted net profit margin *(non-IFRS measure)*(3)	10.3%	6.4%	11.0%
Adjusted EBITDA margin *(non-IFRS measure)*(4)	24.0%	18.1%	23.9%

Notes:

(1) Calculated by dividing gross profit by revenue for the year multiplied by 100%.

(2) Calculated by dividing net profit by revenue for the year multiplied by 100%.

(3) Calculated by dividing adjusted net profit *(non-IFRS measure)* by revenue for the year multiplied by 100%.

(4) Calculated by dividing adjusted EBITDA *(non-IFRS measure)* by revenue for the year multiplied by 100%.

OUR CONTROLLING SHAREHOLDERS

As of the Latest Practicable Date, Baidu, Inc. is interested in an aggregate of 144,945,756 Ordinary Shares through (a) 91,510,833 Ordinary Shares held by Baidu (Hong Kong) Limited, a company wholly-owned by Baidu Holding Limited, which is in turn wholly-owned by Baidu, Inc.; and (b) 53,434,923 Ordinary Shares held by Baidu Holdings Limited, which is in turn wholly-owned by Baidu, Inc.

Immediately following the completion of the **[REDACTED]** (assuming that the **[REDACTED]** is not exercised and without taking into account any Shares that may be issued under the **[REDACTED]** Share Incentive Plan), Baidu, Inc. will control the voting rights attaching to 91,510,833 Ordinary Shares held by Baidu (Hong Kong) Limited and 53,434,923 Ordinary Shares held by Baidu Holding Limited, in aggregate representing approximately **[REDACTED]**% of the voting rights in our issued share capital in general meetings with each Ordinary Share entitling the holder to exercise one vote. Therefore, Baidu, Inc., Baidu Holding Limited and Baidu (Hong Kong) Limited will be the Controlling Shareholders of our Company after the **[REDACTED]**. See "Relationship with Our Controlling Shareholders" for details.

PRE-[REDACTED] INVESTORS

We received several rounds of Pre-**[REDACTED]** Investments from 2016 to 2023 and issued and allotted Ordinary Shares and Series A and Series B Preferred Shares to our Pre-**[REDACTED]** Investors, such as Temasek, Legend Capital, Tencent Music and Guochuangkaiyuan. See "History, Reorganization and Corporate Structure — Pre-**[REDACTED]** Investments."

SHARE INCENTIVE PLAN

We adopted the Pre-**[REDACTED]** Share Incentive Plan in 2023. The principal terms of such Share Incentive Plan are summarized in the section headed "Statutory and General Information — D. Pre-**[REDACTED]** Share Incentive Plan" in Appendix IV of this document.

[REDACTED] STATISTICS

All statistics in the following table are based on the assumptions that (i) the **[REDACTED]** has been completed and **[REDACTED]** Shares are issued pursuant to the **[REDACTED]**; (ii) the **[REDACTED]** is not exercised and no additional Shares are issued under the Share Incentive Plan, and (iii) **[REDACTED]** Shares are issued and outstanding following the completion of the **[REDACTED]**.

	Based on an [REDACTED] of HK$[REDACTED] per Share	**Based on an [REDACTED] of HK$[REDACTED] per Share**
Market capitalization of our Shares[(1)]	HK$**[REDACTED]**	HK$**[REDACTED]**
Unaudited **[REDACTED]** adjusted net tangible asset per Share[(2)]	HK$**[REDACTED]** (RMB**[REDACTED]**)	HK$**[REDACTED]** (RMB**[REDACTED]**)

Notes:

(1) The calculation of market capitalization is on the assumption that **[REDACTED]** Shares are in issue after the completion of the **[REDACTED]**, the **[REDACTED]** is not exercised and no additional Shares are issued under the Share Incentive Plan.

(2) The unaudited **[REDACTED]** adjusted net tangible asset per Share as of December 31, 2025 is calculated after making the adjustments referred to in "**[REDACTED]**" in this document. The unaudited **[REDACTED]** adjusted net tangible asset per Share as of December 31, 2025 would have been **[REDACTED]** per Share based on the **[REDACTED]** of HK$**[REDACTED]** and HK$**[REDACTED]**, respectively, if the repurchase and cancellation of Series A Preferred Shares, the details of which are set forth in Note 27 to the Accountant's Report as set out in Appendix I to this document, had been taken into account as of December 31, 2025. For more details, please refer to the section headed "**[REDACTED]**" in this document.

[REDACTED]

[REDACTED]

FUTURE PLANS AND USE OF [REDACTED]

Assuming an **[REDACTED]** of HK$**[REDACTED]** per Share (being the mid-point of the **[REDACTED]** range of HK$**[REDACTED]** to HK$**[REDACTED]** per Share), we estimate that we will receive **[REDACTED]** of approximately HK$**[REDACTED]** million from the **[REDACTED]** after deducting the **[REDACTED]** and other estimated expenses in connection with the **[REDACTED]**, assuming the **[REDACTED]** is not exercised. We intend to use these **[REDACTED]** for the purposes and in the amounts set out below, subject to changes in light of our evolving business needs and changing market conditions: (i) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, of the **[REDACTED]** is expected to be used to systematically expand our music IP assets with a focus on classic music catalogues, enhance our portfolio of artist and live entertainment IP, and extend the value of IP assets across broader application scenarios; (ii) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, of the **[REDACTED]** is expected to be used to support our international expansion initiatives, including the global distribution of Chinese-language music, the overseas operation of domestic artists, the introduction of overseas artists, and the production of multi-language music content; (iii) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, of the **[REDACTED]** is expected to be used to strengthen our technology-enabled capabilities with AI as a core enabler; (iv) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, of the **[REDACTED]** is expected to be used to attract, incentivize and develop core talent and to build a diversified talent base aligned with our strategic priorities; and (v) approximately **[REDACTED]**%, or HK$**[REDACTED]** million, is expected to be used for our working capital and other general corporate purposes.

The above allocation of the **[REDACTED]** will be adjusted on a pro rata basis in the event that the **[REDACTED]** is fixed at a higher or lower level compared to the mid-point of the estimated **[REDACTED]** range. To the extent that our **[REDACTED]** are either more or less than expected, we will increase or decrease the allocation of the **[REDACTED]** to the above purposes on a pro rata basis. For further details, please refer to "Future Plans and Use of **[REDACTED]**".

[REDACTED]

[REDACTED] represent professional fees, **[REDACTED]** and other fees incurred in connection with the **[REDACTED]**. We estimate that our **[REDACTED]** will be approximately RMB**[REDACTED]** (assuming an **[REDACTED]** of HK$**[REDACTED]** per **[REDACTED]** (being the mid-point of the indicative **[REDACTED]** range) and no exercise of the **[REDACTED]**), representing **[REDACTED]**% of the **[REDACTED]** (based on the mid-point of our indicative **[REDACTED]** range for the **[REDACTED]** and assuming that the **[REDACTED]** is not exercised) of the **[REDACTED]**. During the Track Record Period, we incurred **[REDACTED]** of RMB**[REDACTED]**, of which RMB**[REDACTED]** was charged to the consolidated statements of comprehensive income as general and administrative expenses and approximately RMB**[REDACTED]** was capitalized as prepayments and other current assets in the consolidated balance sheets as of December 31, 2025 to be charged against equity upon **[REDACTED]**. We expect to incur additional **[REDACTED]** of RMB**[REDACTED]**, of which RMB**[REDACTED]** is expected to be recognized in the consolidated statements of comprehensive income as general and administrative expenses and RMB**[REDACTED]** million is expected to be recognized as a deduction in equity directly upon **[REDACTED]**. Our Directors do not expect such expenses to materially impact our results of operations in 2026. By nature, our **[REDACTED]** are composed of (i) **[REDACTED]** of RMB**[REDACTED]**, and (ii) non-**[REDACTED]** related expenses of RMB**[REDACTED]** million, which consist of fees and expenses of legal advisers and the reporting accountant of RMB**[REDACTED]** and other fees and expenses of RMB**[REDACTED]**.

DIVIDENDS

During the Track Record Period, we had not declared or paid any dividend. According to our Articles of Association and applicable laws and regulations, the decision on whether to pay dividends will be made at the discretion of our Directors and will depend upon, among others, the financial results, cash flows, business conditions and strategies, future operations and earnings, capital requirements and expenditure plans, shareholder approval, any restrictions on payment of dividends, and other factors that our Directors may consider relevant. We do not have a pre-determined dividend payout ratio. We will evaluate our dividend policy in light of our financial condition and the prevailing economic environment.

Subject to the Cayman Companies Act and our Articles of Association, through a general meeting, we may declare dividends, but no dividend may be declared unless out of either profit or share premium account and no dividend shall be paid if this would result in our Company being unable to pay its debts as they fall due in the ordinary course of business. Our Board may also from time to time pay interim dividends as our Board believes to be justified by the profits of our Company. We cannot guarantee in what form dividends will be paid in the future.

As we are a holding company, our ability to declare and pay dividends will also depend on the availability of dividends received from our subsidiaries, including our PRC companies. PRC laws require that dividends be paid only out of the net profit calculated according to the PRC accounting principles, which differ in many aspects from generally accepted accounting principles in other jurisdictions. In particular, the dividend distribution by our PRC subsidiaries is governed by the PRC Company Law, according to which our PRC subsidiaries may only pay dividends based on the accumulated profits. PRC laws also require foreign invested enterprises to set aside part of their net profit as statutory reserves, which are not available for distribution as cash dividends. Any dividend paid by our PRC subsidiaries, if any, will be resolved by their board of directors pursuant to their articles of association and the applicable PRC laws and regulations. We may rely on dividends distributed our PRC subsidiaries for our cash and financing requirements, including the funds necessary to pay dividends. See "Risk Factors – Risks Relating to Doing Business in the Jurisdictions in Which We Operate – Our PRC subsidiaries are subject to restrictions on paying dividends or making other payments to us, which may restrict our ability to satisfy our liquidity requirements". Distributions from our subsidiaries may also be restricted if they incur debt or losses or in accordance with any restrictive covenants in bank credit facilities or other agreements that we or our subsidiaries may enter into in the future.

RECENT DEVELOPMENT AND NO MATERIAL ADVERSE CHANGE

In 2026, we initiated collaboration with leading domestic AI companies to advance the application of AI in music production, distribution and ecosystem development. These collaborations cover the co-production of AI-generated music, the development of AI-enabled music studios to support artists and creators, and the development of AI music software to facilitate community-driven creation and distribution of AI content. In addition, we have entered into agreements and commenced preparations for over 30 large-scale live entertainment events in 2026, including venue booking, regulatory approvals and event planning, across major cities and leading venues in China.

Our Directors confirm that, up to the Latest Practicable Date, there had been no material adverse change in our business, financial conditions and results of operations since December 31, 2025, which is the end date of the periods reported on in the Accountants' Report as set out in Appendix I to this document, and there is no event since December 31, 2025 which would materially affect the information in the Accountants' Report as set out in Appendix I to this document.