

A. FURTHER INFORMATION ABOUT OUR COMPANY AND OUR SUBSIDIARIES**(1) Incorporation**

Our Company was incorporated in the Cayman Islands under the Cayman Companies Act as an exempted company with limited liability on January 3, 2018. Our Company has established a principal place of business in Hong Kong at 40/F, Sunlight Tower, 248 Queen’s Road East, Wanchai, Hong Kong, and was registered with the Registrar of Companies in Hong Kong as a non-Hong Kong company under Part 16 of the Companies Ordinance on July 22, 2020. Mr. WONG Keith Shing Cheung of 40/F, Sunlight Tower, 248 Queen’s Road East, Wanchai, Hong Kong has been appointed as the authorized representative of our Company for the acceptance of service of process and notice in Hong Kong.

As our Company was incorporated in the Cayman Islands, our Company’s corporate structure and Memorandum and Articles are subject to the relevant laws of the Cayman Islands. A summary of our Memorandum and Articles is set out in “Appendix III — Summary of the Constitution of Our Company and the Cayman Companies Act.”

(2) Changes in the Share Capital of Our Company

For the details of changes in the share capital of our Company, see section headed “History, Reorganization and Corporate Development.”

Immediately following the completion of the Global Offering (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the Pre-IPO Share Options), the issued share capital of the Company will be US\$16,577.5 divided into 663,100,000 Shares, all fully paid or credited as fully paid.

Save as disclosed herein and in the sub-section headed “— A. Further Information about Our Company and Our Subsidiaries — (3) Resolutions of Our Shareholders Passed on December 18, 2020,” there has been no alteration in the share capital of our Company since its incorporation.

(3) Resolutions of Our Shareholders Passed on December 18, 2020

Written resolutions of our Shareholders were passed on December 18, 2020, pursuant to which, among others:

- (a) our Company approved and adopted the Memorandum and Articles of Association, which will come into effect upon the listing of our Shares on the Stock Exchange;

- (b) conditional on (i) the Stock Exchange granting the approval for the listing of, and permission to deal in, the Shares in issue and Shares to be issued, (ii) the Offer Price being determined, and (iii) the obligations of the Underwriters under the Underwriting Agreements becoming unconditional and the Underwriting Agreements not being terminated in accordance with their terms or otherwise:
- (i) the Global Offering and the Over-allotment Option were approved and our Directors were authorized to effect the same and to allot and issue the Offer Shares pursuant to the Global Offering and the Over-allotment Option;
 - (ii) the grant of the Over-allotment Option by the Company to the International Underwriters, exercisable by the Joint Representatives, pursuant to which the Joint Representatives (on behalf of the International Underwriters) may require the Company to allot and issue up to an aggregate of additional 24,867,000 Shares to cover, among others, the over-allocation in the International Offering was approved; and
 - (iii) the proposed Listing was approved and our Directors were authorized to implement the Listing.
- (c) a general unconditional mandate was granted to our Directors to, *inter alia*, allot, issue and deal with Shares, securities convertible into Shares (the “**Convertible Securities**”) or options, warrants or similar rights to subscribe for any Shares or such convertible securities (the “**Options and Warrants**”) and to make or grant offers, agreements or options which might require such Shares, the Convertible Securities or the Options and Warrants to be allotted and issued or dealt with at any time subject to the requirement that the aggregate nominal value of the Shares or the underlying Shares relating to the Convertible Securities or the Options and Warrants so allotted and issued or agreed conditionally or unconditionally to be allotted and issued, shall not exceed the sum of 20% of the aggregate nominal value of the share capital of our Company in issue immediately following the completion of the Global Offering (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the Pre-IPO Share Options).

This mandate does not cover Shares to be allotted, issued or dealt with under a rights issue or scrip dividend scheme or similar arrangements or a specific authority granted by our Shareholders. Such mandate will remain in effect until:

- (i) the conclusion of our next annual general meeting; or
- (ii) the expiration of the period within which the next annual general meeting of our Company is required to be held under any applicable laws or the Memorandum and Articles of Association; or

(iii) it is varied or revoked by an ordinary resolution of our Shareholders at a general meeting,

whichever is the earliest;

- (d) a general unconditional mandate was given to our Directors to exercise all powers of our Company to repurchase Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal value of the share capital of our Company in issue immediately following completion of the Global Offering (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the Pre-IPO Share Options).

This mandate only relates to repurchase made on the Stock Exchange or on any other stock exchange on which the Shares may be listed (and which is recognized by the SFC and the Stock Exchange for this purpose) and which are in accordance with all applicable laws and regulations. Such mandate will remain in effect until:

- (i) the conclusion of our next annual general meeting; or
- (ii) the expiration of the period within which the next annual general meeting of our Company is required to be held under any applicable laws or the Memorandum and Articles of Association; or
- (iii) it is varied or revoked by an ordinary resolution of our Shareholders at a general meeting,

whichever is the earliest; and

- (e) the general unconditional mandate as mentioned in paragraph (c) above was extended by the addition to the aggregate nominal value of the Shares which may be allotted and issued or agreed to be allotted and issued by our Directors pursuant to such general mandate of an amount representing the aggregate nominal value of the Shares purchased by our Company pursuant to the mandate to repurchase Shares referred to in paragraph (d) above (up to 10% of the aggregate nominal value of the Shares in issue immediately following the completion of the Global Offering (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the Pre-IPO Share Options)).

(4) Corporate Reorganization

The companies comprising our Group underwent the Reorganization in preparation for the Listing. See “History, Reorganization and Corporate Development — Reorganization” for further details.

(5) Changes in the Share Capital of Our Subsidiaries

A summary of the corporate information and the particulars of our subsidiaries are set out in the Accountants’ Report in Appendix I to this prospectus.

Save as disclosed in “History, Reorganization and Corporate Development” and below, there has been no alteration in the share capital or the registered capital of any of our Subsidiaries within the two years immediately preceding the date of this prospectus:

Beijing Strawbear

On September 2, 2019, Beijing Strawbear was established in the PRC with a registered capital of RMB3,000,000.

Blue Boiling Point

On December 20, 2019, we deregistered Blue Boiling Point, which was a limited liability company established in the PRC on June 2, 2015 with a registered capital of RMB10,000,000.

Wuxi Strawbear

On June 4, 2020, Wuxi Strawbear was established in the PRC with a registered capital of RMB1,000,000.

Nova Film

On May 8, 2020, the registered capital of Nova Film was decreased from RMB10,000,000 to RMB9,000,000.

On June 23, 2020, Nova Film was changed from a joint stock company to a limited liability company and its registered capital was increased from RMB9,000,000 to RMB10,000,000.

Beijing Honeybear

On September 10, 2020, Beijing Honeybear was established in the PRC with a registered capital of RMB3,000,000.

Xingyu Yinyue

On November 19, 2020, Xingyu Yinyue was established in the PRC with a registered capital of RMB5,000,000.

(6) Repurchase of Shares by Our Company**(a) Provisions of the Listing Rules**

The Listing Rules permit companies whose primary listings are on the Main Board of the Hong Kong Stock Exchange to repurchase their securities on the Hong Kong Stock Exchange subject to certain restrictions, the most important of which are summarized below:

(i) Shareholders' approval

All proposed repurchases of securities on the Hong Kong Stock Exchange by a company with a primary listing on the Hong Kong Stock Exchange must be approved in advance by an ordinary resolution of shareholders, either by way of general mandate or by specific approval of a particular transaction.

Pursuant to the resolutions in writing of all our Shareholders passed on December 18, 2020, a general unconditional mandate (the “**Repurchase Mandate**”) was granted to our Directors authorizing the repurchase by our Company on the Hong Kong Stock Exchange, or on any other stock exchange on which the securities of our Company may be listed and which is recognized by the SFC and the Hong Kong Stock Exchange for this purpose, of Shares with an aggregate nominal value not exceeding 10% of the aggregate nominal amount of the share capital of our Company in issue and to be issued immediately following the completion of the Global Offering, at any time until the conclusion of the next annual general meeting of our Company, the expiration of the period within which the next annual general meeting of our Company is required by any applicable law or the Memorandum and Articles of Association to be held or when such mandate is revoked or varied by an ordinary resolution of our Shareholders in general meeting, whichever is the earliest.

(ii) Source of funds

Repurchases must be funded out of funds legally available for the purpose in accordance with the Memorandum and Articles of Association and the laws of the Cayman Islands. A listed company may not repurchase its own securities on the Hong Kong Stock Exchange for a consideration other than cash or for settlement otherwise than in accordance with the trading rules of the Hong Kong Stock Exchange as amended from time to time.

(iii) Trading restrictions

The total number of shares which a listed company may repurchase on the Hong Kong Stock Exchange is the number of shares representing up to a maximum of 10% of the aggregate nominal value of the company's shares in issue on the date the repurchase mandate is granted. A listed company may not issue or announce a proposed issue of new securities for a period of 30 days immediately following a repurchase (other than an issue of securities pursuant to an exercise of warrants, share options or similar instruments requiring the company to issue securities which were outstanding prior to such repurchase) without the prior approval of the Hong Kong Stock Exchange. In addition, a listed company is prohibited from repurchasing its shares on the Hong Kong Stock Exchange if the purchase price is 5% or more than the average closing market price for the five preceding trading days on which its shares were traded on the Hong Kong Stock Exchange.

The Listing Rules also prohibit a listed company from repurchasing its securities on the Hong Kong Stock Exchange if the repurchase would result in the number of listed securities which are in the hands of the public falling below the relevant prescribed minimum percentage as required by the Hong Kong Stock Exchange.

A listed company is required to procure that the broker appointed by it to effect a repurchase of securities discloses to the Hong Kong Stock Exchange such information with respect to the repurchase made on behalf of the listed company as the Hong Kong Stock Exchange may require.

(iv) Status of repurchased securities

A listed company may not make any repurchase of securities after inside information has come to its knowledge until the information has been made publicly available. In particular, during the period of one month immediately preceding the earlier of (a) the date of the board meeting (as such date is first notified to the Hong Kong Stock Exchange in accordance with the Listing Rules) for the approval of a listed company's results for any year, half-year, quarterly or any other interim period (whether or not required under the Listing Rules) and (b) the deadline for a listed company to announce its results for any year or half-year under the Listing Rules, or quarterly or any other interim period (whether or not required under the Listing Rules) and ending on the date of the results announcement, the listed company may not repurchase its securities on the Hong Kong Stock Exchange other than in exceptional circumstances.

(v) Reporting requirements

Certain information relating to repurchases of securities on the Hong Kong Stock Exchange or otherwise must be reported to the Hong Kong Stock Exchange not later than 30 minutes before the earlier of the commencement of the morning trading session or any pre-opening session on the following Business Day. In addition, a listed company's annual report is required to disclose details regarding repurchases of securities made during the year reviewed, including a monthly analysis of the number of securities repurchased, the purchase price per share or the highest and lowest price paid for all such purchases, where relevant, and the aggregate prices paid.

(vi) Core connected persons

A listed company is prohibited from knowingly repurchasing securities on the Hong Kong Stock Exchange from a "core connected person," that is, a director, chief executive or substantial shareholder of the company or any of its subsidiaries or their respective close associates and a core connected person is prohibited from knowingly selling his securities to the company, on the Hong Kong Stock Exchange.

(b) Reasons for repurchases

Our Directors believe that it is in the best interests of our Company and Shareholders for our Directors to receive the general authority from our Shareholders to repurchase Shares in the market. Repurchases of Shares will only be made when our Directors believe that such repurchases will be in the interest of our Company and our Shareholders. Such repurchases may, depending on market conditions, funding arrangements and other circumstances at the time, lead to an enhancement of the net value of our Company and its assets and/or its earnings per Share.

(c) *Funding of repurchases*

In repurchasing securities, our Company may only apply funds legally available for such purpose in accordance with the Memorandum and Articles of Association and the applicable laws of the Cayman Islands.

Any payment for the repurchase of Shares will be drawn from the profits or share premium of our Company or from the proceeds of a fresh issue of shares made for the purpose of the repurchase or, if authorized by the Memorandum and Articles of Association and subject to the Companies Act of the Cayman Islands, out of capital and, in the case of any premium payable on the purchase, out of the profits of our Company or from sums standing to the credit of the share premium account of our Company or, if authorized by the Memorandum and Articles of Association and subject to the Companies Act of the Cayman Islands, out of capital.

Our Directors do not propose to exercise the Repurchase Mandate to such an extent as would, under the circumstances, have a material adverse effect in the opinion of our Directors on the working capital requirements of our Company or its gearing levels. However, there might be a material adverse impact on the working capital or gearing position of our Company as compared with the position disclosed in this prospectus in the event that the Repurchase Mandate is exercised in full.

(d) *Share capital*

Exercise in full of the Repurchase Mandate, on the basis of 663,100,000 Shares in issue immediately after the listing of the Shares, could accordingly result in up to 66,310,000 Shares being repurchased by our Company during the period until:

- (i) the conclusion of the next annual general meeting of our Company;
- (ii) the expiration of the period within which the next annual general meeting of our Company is required by any applicable law or the Memorandum and Articles of Association to be held;
or
- (iii) the date on which the Repurchase Mandate is revoked or varied by an ordinary resolution of our Shareholders in general meeting,

whichever occurs first.

(e) *General*

None of our Directors or, to the best of their knowledge, having made all reasonable enquiries, any of their respective close associates (as defined in the Listing Rules), has any present intention to sell any Shares to our Company or our subsidiaries.

Our Directors have undertaken to the Hong Kong Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate in accordance with the Listing Rules and the applicable laws of the Cayman Islands.

If as a result of a securities repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of our Company increases, such increase will be treated as an acquisition for the purpose of the Hong Kong Code on Takeovers and Mergers (the "Code"). Accordingly, a Shareholder, or a group of Shareholders acting in concert, depending on the level of the increase of our Shareholders' interest, could obtain or consolidate control of our Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Code as a result. Save as aforesaid, our Directors are not aware of any consequences which may arise under the Code if the Repurchase Mandate is exercised. Any repurchase of Shares which results in the number of Shares held by the public being reduced to less than 25% of our Shares then in issue could only be implemented with the approval of the Stock Exchange to waive the Listing Rules requirements regarding the public shareholding referred to above. It is believed that a waiver of this provision would not normally be given other than in exceptional circumstances. No core connected person (as defined in the Listing Rules) of our Company has notified our Company that he/she or it has a present intention to sell Shares to our Company, or has undertaken not to do so, if the Repurchase Mandate is exercised.

B. FURTHER INFORMATION ABOUT OUR BUSINESS

(1) Summary of Material Contracts

The following contracts (not being contracts entered into in the ordinary course of business) have been entered into by us within the two years preceding the date of this prospectus and are or may be material:

- (1) a series A preferred share purchase agreement dated May 18, 2020 entered into by and among our Company, Strawbear Pictures Limited, Strawbear Film Limited, Nanjing Strawbear Business Consulting Co., Ltd. (南京稻草熊商務諮詢有限公司), Shanghai Strawbear Business Consulting Co., Ltd. (上海稻草熊商務諮詢有限公司), Jiangsu Strawbear Film Co., Ltd. (江蘇稻草熊影業有限公司), Beijing Strawbear Film Co., Ltd. (北京稻草熊影業有限公司), Horgos Strawbear Film Co., Ltd. (霍爾果斯稻草熊影業有限公司), Hangzhou Yide Cultural Creativity Co., Ltd. (杭州懿德文化創意有限公司), LIU Xiaofeng (劉小楓), Master Sagittarius Holding Limited and Taurus Holding Ltd., pursuant to which Taurus Holding Ltd. agreed to purchase from the Company 26,720,000 Series A Preferred Shares at a total consideration of US\$15,138,810.52;
- (2) an amended and restated shareholders agreement dated May 18, 2020 (the "**Shareholders Agreement**") entered into by and among our Company, Strawbear Pictures Limited, Strawbear Film Limited, Nanjing Strawbear Business Consulting Co., Ltd. (南京稻草熊商務諮詢有限公司), Shanghai Strawbear Business Consulting Co., Ltd. (上海稻草熊商務諮詢有限公司), Jiangsu Strawbear Film Co., Ltd. (江蘇稻草熊影業有限公司), Beijing Strawbear Film Co., Ltd. (北京稻草熊影業有限公司), Horgos Strawbear Film Co., Ltd. (霍爾果斯稻草熊影業有限公司), Hangzhou Yide Cultural Creativity Co., Ltd. (杭州懿德文化創意有限公司), LIU Xiaofeng (劉小楓), Master Sagittarius Holding Limited, Ice Princess Holding Limited, Gold Pisces Holding Limited, Gold Fish Management Holding Limited and Taurus Holding Ltd., pursuant to which Shareholder rights were agreed among the parties;

- (3) an amendment no.1 to amended and restated shareholders agreement mentioned in (2) above dated July 7, 2020 entered into by and among our Company, Strawbear Pictures Limited, Strawbear Film Limited, Nanjing Strawbear Business Consulting Co., Ltd. (南京稻草熊商務諮詢有限公司), Shanghai Strawbear Business Consulting Co., Ltd. (上海稻草熊商務諮詢有限公司), Jiangsu Strawbear Film Co., Ltd. (江蘇稻草熊影業有限公司), Beijing Strawbear Film Co., Ltd. (北京稻草熊影業有限公司), Horgos Strawbear Film Co., Ltd. (霍爾果斯稻草熊影業有限公司), Hangzhou Yide Cultural Creativity Co., Ltd. (杭州懿德文化創意有限公司), LIU Xiaofeng (劉小楓), Master Sagittarius Holding Limited, Ice Princess Holding Limited, Gold Pisces Holding Limited, Gold Fish Management Holding Limited, Leading Glory Investments Limited, Glesason Global Limited, Golden Basin Global Limited and Taurus Holding Ltd., pursuant to which certain terms under the Shareholders Agreement were amended and supplemented;
- (4) an amended and restated exclusive business cooperation agreement dated February 20, 2019 entered into between Nanjing Strawbear Business Consulting Co., Ltd. (南京稻草熊商務諮詢有限公司) and Jiangsu Strawbear Film Co., Ltd. (江蘇稻草熊影業有限公司), as further described in the section headed “Contractual Arrangements”;
- (5) an amended and restated exclusive option agreement dated February 20, 2019 entered into by and among Nanjing Strawbear Business Consulting Co., Ltd. (南京稻草熊商務諮詢有限公司), LIU Xiaofeng (劉小楓), LIU Shishi (劉詩施), ZHAO Liying (趙麗穎), ZHANG Qiuchen (張秋晨), ZHAI Fang (翟芳) and Jiangsu Strawbear Film Co., Ltd. (江蘇稻草熊影業有限公司), as further described in the section headed “Contractual Arrangements”;
- (6) an amended and restated equity pledge agreement dated February 20, 2019 entered into by and among Nanjing Strawbear Business Consulting Co., Ltd. (南京稻草熊商務諮詢有限公司), LIU Xiaofeng (劉小楓), LIU Shishi (劉詩施), ZHAO Liying (趙麗穎), ZHANG Qiuchen (張秋晨), ZHAI Fang (翟芳) and Jiangsu Strawbear Film Co., Ltd. (江蘇稻草熊影業有限公司), as further described in the section headed “Contractual Arrangements”;
- (7) an amended and restated shareholder voting rights proxy agreement dated February 20, 2019 entered into by and among Nanjing Strawbear Business Consulting Co., Ltd. (南京稻草熊商務諮詢有限公司), LIU Xiaofeng (劉小楓), LIU Shishi (劉詩施), ZHAO Liying (趙麗穎), ZHANG Qiuchen (張秋晨), ZHAI Fang (翟芳) and Jiangsu Strawbear Film Co., Ltd. (江蘇稻草熊影業有限公司), as further described in the section headed “Contractual Arrangements”;
- (8) the powers of attorney dated February 20, 2019 executed by each of LIU Xiaofeng (劉小楓), LIU Shishi (劉詩施), ZHAO Liying (趙麗穎), ZHANG Qiuchen (張秋晨) and ZHAI Fang (翟芳) in favor of Nanjing Strawbear Business Consulting Co., Ltd. (南京稻草熊商務諮詢有限公司) and its designees, as further described in the section headed “Contractual Arrangements”;

- (9) a cornerstone investment agreement dated December 22, 2020 entered into among our Company, SNOW LAKE CHINA MASTER FUND, LTD., SNOW LAKE CHINA MASTER LONG FUND, LTD., SNOW LAKE ASIA MASTER FUND LIMITED, COMPASS OFFSHORE SAV II PCC LIMITED, China Merchants Securities (HK) Co., Limited and China Securities (International) Corporate Finance Company Limited, details of which are included in the section headed “Cornerstone Investors”;
- (10) a cornerstone investment agreement dated December 22, 2020 entered into among our Company, Vipshop International Holdings Limited, China Merchants Securities (HK) Co., Limited and China Securities (International) Corporate Finance Company Limited, details of which are included in the section headed “Cornerstone Investors”;
- (11) a cornerstone investment agreement dated December 22, 2020 entered into among our Company, Origin Flair Limited, China Merchants Securities (HK) Co., Limited and China Securities (International) Corporate Finance Company Limited, details of which are included in the section headed “Cornerstone Investors”;
- (12) the Deed of Non-competition; and
- (13) the Hong Kong Underwriting Agreement.

(2) Intellectual Property Rights of Our Group

(a) Trademarks

As of the Latest Practicable Date, we were the registered owner of and had the right to use the following trademarks which we consider to be or may be material to our business:

No.	Trademark	Place of Registration	Registration No.	Registered Owner	Class ⁽¹⁾	Registration Date	Expiry Date
(1)		PRC	26674940	Jiangsu Strawbear	18	March 7, 2020	March 6, 2030
(2)		PRC	5802455	Jiangsu Strawbear	41	March 28, 2010	March 27, 2030
(3)		PRC	5802456	Jiangsu Strawbear	25	January 14, 2010	January 13, 2030
(4)	踏火行歌	PRC	21813069	Jiangsu Strawbear	41	December 21, 2017	December 20, 2027
(5)	踏火行歌	PRC	21813050	Jiangsu Strawbear	28	December 21, 2017	December 20, 2027
(6)	踏火行歌	PRC	21812718	Jiangsu Strawbear	25	December 21, 2017	December 20, 2027
(7)	踏火行歌	PRC	21812579	Jiangsu Strawbear	21	December 21, 2017	December 20, 2027
(8)	踏火行歌	PRC	21812201	Jiangsu Strawbear	18	December 21, 2017	December 20, 2027
(9)	踏火行歌	PRC	21812055	Jiangsu Strawbear	16	December 21, 2017	December 20, 2027
(10)	踏火行歌	PRC	21812054	Jiangsu Strawbear	14	December 21, 2017	December 20, 2027
(11)	踏火行歌	PRC	21811950	Jiangsu Strawbear	9	December 21, 2017	December 20, 2027
(12)	踏火行歌	PRC	21811799	Jiangsu Strawbear	3	December 21, 2017	December 20, 2027
(13)	蜀山战纪之剑侠传奇	PRC	18934100	Jiangsu Strawbear	9	February 28, 2017	February 27, 2027
(14)	蜀山战纪之剑侠传奇	PRC	18934099	Jiangsu Strawbear	16	February 28, 2017	February 27, 2027

No.	Trademark	Place of Registration	Registration No.	Registered Owner	Class ⁽¹⁾	Registration Date	Expiry Date
(15)	蜀山战纪之剑侠传奇	PRC	18934098	Jiangsu Strawbear	41	February 28, 2017	February 27, 2027
(16)	蜀山战纪之剑侠传奇	PRC	18934097	Jiangsu Strawbear	9	February 28, 2017	February 27, 2027
(17)	蜀山战纪之剑侠传奇	PRC	18934096	Jiangsu Strawbear	16	February 28, 2017	February 27, 2027
(18)	蜀山战纪之剑侠传奇	PRC	18934095	Jiangsu Strawbear	41	February 28, 2017	February 27, 2027
(19)	蜀山战纪	PRC	18934101	Jiangsu Strawbear	41	June 14, 2017	June 13, 2027
(20)	蜀山战纪	PRC	18324270	Jiangsu Strawbear	9	December 21, 2016	December 20, 2026
(21)	蜀山战纪	PRC	18324269	Jiangsu Strawbear	14	December 21, 2016	December 20, 2026
(22)	蜀山战纪	PRC	18324268	Jiangsu Strawbear	18	December 21, 2016	December 20, 2026
(23)	蜀山战纪	PRC	18324267	Jiangsu Strawbear	21	December 21, 2016	December 20, 2026
(24)	蜀山战纪	PRC	18324266	Jiangsu Strawbear	24	December 21, 2016	December 20, 2026
(25)	蜀山战纪	PRC	18324265	Jiangsu Strawbear	25	December 21, 2016	December 20, 2026
(26)	蜀山战纪	PRC	18324264	Jiangsu Strawbear	28	December 21, 2016	December 20, 2026
(27)	蜀山战纪	PRC	15315878	Jiangsu Strawbear	9, 16, 41	October 21, 2015	October 20, 2025
(28)	蜀山战纪	PRC	15119909	Jiangsu Strawbear	9, 16, 41	September 28, 2015	September 27, 2025
(29)	拥抱未来的你	PRC	27320882	Hangzhou Yide	16	January 28, 2019	January 27, 2029
(30)		PRC	21423761	Hangzhou Yide	9	November 21, 2017	November 20, 2027
(31)		PRC	21423760	Hangzhou Yide	16	November 21, 2017	November 20, 2027
(32)		PRC	21423759	Hangzhou Yide	25	November 21, 2017	November 20, 2027
(33)		PRC	21423758	Hangzhou Yide	28	November 21, 2017	November 20, 2027

No.	Trademark	Place of Registration	Registration No.	Registered Owner	Class ⁽¹⁾	Registration Date	Expiry Date
(34)		PRC	21423757	Hangzhou Yide	35	November 21, 2017	November 20, 2027
(35)		PRC	21423756	Hangzhou Yide	36	November 21, 2017	November 20, 2027
(36)		PRC	21423755	Hangzhou Yide	41	November 21, 2017	November 20, 2027
(37)		PRC	21423754	Hangzhou Yide	42	November 21, 2017	November 20, 2027
(38)		PRC	43108652	Nova Film	41	October 21, 2020	October 20, 2030
(39)		HK	304383513	Jiangsu Strawbear	41	December 28, 2017	December 27, 2027

(b) Patents

As at the Latest Practicable Date, we had registered the following patents which we consider to be or may be material to our business:

No.	Patent	Patentee	Place of Registration	Patent Number	Application Date	Registration Date
1.	Light Color Mixture Device of Wide Color Gamut (一種寬色域的燈光混色裝置)	Nova Film	PRC	CN201820989082.0	June 26, 2018	January 1, 2019
2.	A Panoramic Scanning Device for Movie and Television Play (用於影視劇的全景掃描裝置)	Nova Film	PRC	CN201721757017.7	December 15, 2017	February 1, 2019
3.	Virtual Actor Collection System (虛擬演員採集系統)	Nova Film	PRC	CN201510583124.1	September 14, 2015	December 4, 2018
4.	Virtual Actor Collection System (虛擬演員採集系統)	Nova Film	PRC	CN201520710785.1	September 14, 2015	March 16, 2016

(c) Copyrights

As of the Latest Practicable Date, we were the owner of and had the right to use the following copyrights which we consider to be or may be material to our business:

(i) Registered copyright

<u>No.</u>	<u>Name of Copyright</u>	<u>Owner</u>	<u>Registration Date</u>
(1)	Legend Of Zu Mountain 2 (蜀山戰紀2踏火行歌)	Jiangsu Strawbear	2017.06.29
(2)	Handsome Boy (英俊的少年)	Jiangsu Strawbear	2020.06.11
(3)	Treasure Adventure (國寶奇旅)	Jiangsu Strawbear, Omnijoi Media Corporation Co. Ltd. (幸福藍海影視文化集團股份有限公司) and Horgos Jiecheng Huashi Wangju Cultural Media Co., Ltd. (霍爾果斯捷成華視網聚文化傳媒有限公司)	2019.07.05
(4)	Breath Of Destiny (一起深呼吸)	Jiangsu Strawbear	2020.06.29

(ii) Copyrights in relation to the TV/web dramas and web films

<u>No.</u>	<u>Name of Copyright</u>	<u>Ownership</u>	<u>Owner</u>
(1)	Two Capitals (兩京)	Proportionally owned copyright	Jiangsu Strawbear
(2)	Dear Physicist (親愛的物理學家)	Proportionally owned copyright	Jiangsu Strawbear
(3)	Love And Hate (沉魚記)	Proportionally owned copyright	Jiangsu Strawbear
(4)	Tower Of Self-Redemption (浮圖塔)	Wholly-owned copyright	Jiangsu Strawbear
(5)	Bargain Queen (砍價女王)	Proportionally owned copyright	Jiangsu Strawbear
(6)	Love For Joy (墨如歡喜)	Proportionally owned copyright with wholly-owned distribution right	Jiangsu Strawbear
(7)	Inside Man (局中人)	Proportionally owned copyright	Jiangsu Strawbear
(8)	One Seventh Little Sweetheart (七分之一小情人)	Wholly-owned copyright	Jiangsu Strawbear
(9)	Legend Of Zu Mountain (蜀山戰紀之劍俠傳奇)	Shared copyright	Jiangsu Strawbear
(10)	The Impossible Mission (不可能完成的任務)	Shared copyright	Jiangsu Strawbear

No.	Name of Copyright	Ownership	Owner
(11)	Do Not Say I Cannot Do Better Than You (別說我不如你)	Exclusive TV series filming right, and wholly-owned copy right of the completed TV series and all materials and all rights derived therein	Jiangsu Strawbear
(12)	Wave Chasing Plan (逐浪計劃)	Wholly-owned copyright	Jiangsu Strawbear
(13)	A Chinese Ghost Story (倩女幽魂)	Proportionally owned copyright	Jiangsu Strawbear
(14)	Treasure Adventure (國寶奇旅)	Wholly-owned copyright	Jiangsu Strawbear
(15)	Legend Of Zu Mountain 2 (蜀山戰紀2踏火行歌)	Wholly-owned copyright	Jiangsu Strawbear
(16)	Mr. Nanny (月嫂先生)	Proportionally owned copyright	Jiangsu Strawbear
(17)	Starry April (繁星四月)	Proportionally owned copyright	Jiangsu Strawbear
(18)	A Sword Across The Sky (一劍橫空)	Shared copyright	Jiangsu Strawbear
(19)	Crazy Troupe (瘋狂劇團)	Shared copyright	Jiangsu Strawbear
(20)	Love Journey (一場遇見愛情的旅行)	Proportionally owned copyright	Jiangsu Strawbear
(21)	Heartbeat Memory (心跳回憶)	Shared script copyright, film copyright and other rights	Jiangsu Strawbear
(22)	On The Stream Of Silence And Loneliness (在寂與寞的川流上)	Proportionally owned copyright	Jiangsu Strawbear
(23)	Hello Baby (你好寶貝)	Wholly-owned copyright	Jiangsu Strawbear
(24)	Please Like Me As Soon As Possible (勸你趁早喜歡我)	Wholly-owned right and right of final decision of establishment, filming, production, distribution, promotion	Jiangsu Strawbear
(25)	The Wind Catcher (捕風者)	Wholly-owned copyright	Jiangsu Strawbear
(26)	Handsome Yong Master (公子傾城)	Wholly-owned copyright	Jiangsu Strawbear
(27)	Legend Of Yong Ye (永夜)	Proportionally owned copyright	Jiangsu Strawbear
(28)	Oh My Sister (姐姐在上)	Wholly-owned copyright	Jiangsu Strawbear
(29)	Unbending Will (石頭開花)	Proportionally owned copyright	Jiangsu Strawbear
(30)	My Mr. Cat (我的貓先生)	Wholly-owned copyright	Jiangsu Strawbear
(31)	Party Group (黨小組)	Wholly-owned copyright	Jiangsu Strawbear

(iii) Copyrights in relation to scripts

No.	Name of Copyright	Ownership	Owner
(1)	Young Master Imprisoned In The Lake (湖中公子)	Wholly-owned copyright of script	Jiangsu Strawbear
(2)	Edge Of Abyss (臨淵)	Wholly-owned copyright of script	Jiangsu Strawbear
(3)	My August (我的八月)	Wholly-owned copyright of script	Jiangsu Strawbear
(4)	The Man Who Will Die Unless Kissing Me (不吻我就會死的男人)	Wholly-owned copyright of script	Jiangsu Strawbear
(5)	Live Up To Your Time (不負韶華)	Wholly-owned copyright of script	Jiangsu Strawbear
(6)	The Wind Catcher (捕風者)	Right of publication, filming, broadcasting, translation, and other copyrights	Jiangsu Strawbear
(7)	A Biography Of Two Dragons In The Song Dynasty (大宋雙龍傳)	All copyrights except the right of authorship of the script	Jiangsu Strawbear
(8)	Oh My Sister (姐姐在上)	Wholly-owned copyright of script	Jiangsu Strawbear

(iv) Licensed rights of literary works

No.	Name of Copyright	Licensor	Licensee	Rights	Period
(1)	Daydream Of Me (白日夢我)	All Gods Union Film (Tianjin) Co., Ltd. (諸神聯盟影業(天津)有限公司)	Jiangsu Strawbear	Adaptation right (movies and TV series)	September 12, 2019 to December 4, 2023
(2)	Love And Hate (沉魚記)	Horgos Zhonghe Rui Entertainment Media Co., Ltd. (霍爾果斯中和瑞娛傳媒有限公司)	Jiangsu Strawbear	Adaptation right (movies and TV series)	June 1, 2019 to May 1, 2025
(3)	Young Master Imprisoned In The Lake (湖中公子)	Zhang Xiuxian (張秀嫻)	Jiangsu Strawbear	Adaptation right (movies and TV series)	June 21, 2019 to June 20, 2024
(4)	Love For Joy (墨如歡喜)	Liu Yantong (劉艷彤)	Jiangsu Strawbear	Right of globally revision, leasing, exhibition, adaptation, distribution, reproduction, filming, performance, screening, and broadcast	November 7, 2019 to November 7, 2025

No.	Name of Copyright	Licensor	Licensee	Rights	Period
(5)	Fly To The Moon (奔月)	Xu Pan (徐攀)	Hangzhou Yide	Right of adaptation, filming, production, distribution, performance, screening, translation, compilation, exhibition, communication of information via network of TV series, games, stage plays, and cartoons (excluding electronic version or wireless electronic version of novels)	April 1, 2016 to March 31, 2021
(6)	The Love Lasts Two Minds (兩世歡)	Huzhou Jiyue Jiaojiao Movie and Television Studio (湖州寂月皎皎影 視工作室)	Hangzhou Yide	Right of adaptation, filming, production, distribution, reproduction, performance, renewal, screening, translation, compilation, exhibition, communication of information via network of TV series, games, stage plays, and cartoons	October 31, 2016 to October 30, 2026
(7)	Hug You From The Future (擁抱未來的你)	Dazhou (Gui'an New Area) Interactive Entertainment Culture and Media Co., Ltd. (大周(貴安新區) 互動娛樂文化傳媒 有限公司)	Hangzhou Yide	Right of adaptation, filming, production, distribution, reproduction, performance, renewal, screening, translation, compilation, exhibition, communication of information via network of TV series, games, stage plays, cartoons, comics, games, and audio books	April 10, 2017 to April 9, 2023
(8)	Steal His Heart (偷走他的心)	Wang Siqi (王斯琪)	Hangzhou Yide	Right of adaptation, filming, and distribution of movies and TV series	December 1, 2017 to November 30, 2022
(9)	Sha Po Lang (殺破狼)	Liu Yao (劉垚)	Hangzhou Yide	Right of adaptation, filming, production, distribution, reproduction, performance, renewal, screening, translation, compilation, exhibition, communication of information via network of TV series and games	January 1, 2016 to December 31, 2020
(10)	On The Stream Of Silence And Loneliness (在寂與 寞的川流上)	Covetous (Shanghai) Culture and Art Studio (寐語者(上海)文化藝術 工作室)	Jiangsu Strawbear	Adaptation right of TV/web dramas	August 15, 2016 to August 15, 2021

No.	Name of Copyright	Licensor	Licensee	Rights	Period
(11)	Where Are You From (客從何處來)	Shanghai Xingliu Movie and Television Culture Studio (上海星流影視文化工作室)	Jiangsu Strawbear	Adaptation right of movies and TV series	January 15, 2017 to January 14, 2022
(12)	Wave Chasing Plan (逐浪計劃)	Shanghai Linxiaoran Movie and Television Culture Studio (上海林小染影視文化工作室)	Jiangsu Strawbear	Property rights of copyright (including but not limited to right of reproduction, adaptation and communication of information via network)	5 years from August 1, 2017
(13)	Edge Of Abyss (臨淵)	Xu Lingling (許玲玲)	Jiangsu Strawbear	Adaptation right of movies, TV series, web dramas, and games	April 15, 2016 to April 14, 2022
(14)	Tower Of Self-Redemption (浮圖塔)	Xu Lingling (許玲玲)	Jiangsu Strawbear	Adaptation right of movies, TV series, web dramas, and games	April 15, 2016 to April 14, 2023
(15)	Marry Me (三嫁惹君心)	Deng Yuxi (鄧羽汐)	Jiangsu Strawbear	Right of adaptation, filming, performance and production of movies, TV series, cartoons and games and right of distribution, reproduction, exhibition, screening, broadcasting, and communication of information via network of adapted works	October 2, 2016 to October 1, 2021
(16)	Bearing (承載)	Nanjing Huaner Movie and Television Culture Co., Ltd. (南京歡兒影視文化有限公司)	Jiangsu Strawbear	Adaptation right (TV series)	Until the expiry date of the copyright of the work Bearing (承載)
(17)	Handsome Boy (英俊的少年)	Hangzhou Hailala Cultural Media Co. Ltd. (杭州海啦啦文化傳媒有限公司)	Jiangsu Strawbear	Right of adaptation, production, distribution and using of TV series and audiovisual products	May 10, 2020 to April 30, 2025
(18)	The Wind Catcher (捕風者)	Chen Haifei (陳海飛)	Jiangsu Strawbear	Right of adaptation, production, distribution and using of TV series and audiovisual products	April 1, 2018 to March 31, 2023

(v) Licensed rights of drama series and web films

No.	Name of Copyright	Licensor	Licensee	Permitted Areas	Period
(1)	Dear Myself (親愛的自己)	Sichuan Xingkong Movie and Television Culture and Media Co., Ltd. (四川星空影視文化傳媒有限公司)	Jiangsu Strawbear	PRC	December 16, 2019 to December 15, 2022
(2)	Detective Ke Chen (神探柯晨)	Beijing iQIYI	Jiangsu Strawbear	PRC	June 24, 2019 to June 23, 2024
(3)	The Legends (招搖)	Beijing iQIYI	Jiangsu Strawbear	PRC	January 28, 2019 to January 27, 2024
(4)	The Drug Hunter (獵毒人)	Changzhou Duoduo Sunflower Movie and Television Culture and Media Co., Ltd. (常州朵朵葵花影視文化傳媒有限公司)	Jiangsu Strawbear	Zhejiang	August 14, 2018 to August 14, 2021
(5)	Mask (面具)	Beijing iQIYI	Jiangsu Strawbear	PRC	July 7, 2018 to July 5, 2021
(6)	The Secret Of The Dragon Shrimp (沒譜廚神)	Ergeng Media (Australia) Co., Ltd. 二更傳媒(澳洲)有限公司 Luying Culture Development (Shanghai) Co., Ltd. (鹿影文化發展(上海)有限公司) Nanjing Sunrise Moshang Culture and Media Co., Ltd. (南京日出陌上文化傳媒有限公司)	Jiangsu Strawbear	PRC	March 7, 2019 to March 6, 2024
(7)	My! P.E. Teacher (我的!體育老師)	Youku Information Technology (Beijing) Co., Ltd. (優酷信息技術(北京)有限公司)	Jiangsu Strawbear	Zhejiang	November 13, 2017 to November 12, 2020
(8)	Untouchable Lovers (鳳囚凰)	Beijing iQIYI	Jiangsu Strawbear	PRC	5 years from first broadcast
(9)	Ding Daming (丁大命)	Nanjing Sanbao Junkun Movie and Television Co., Ltd. (南京三胞君坤影視有限公司)	Jiangsu Strawbear	Global	July 9, 2018 to July 9, 2023
(10)	Lost Love In Times (醉玲瓏)	New iPicture (Shanghai) Culture and Media Co., Ltd. (新派系(上海)文化傳媒有限公司)	Jiangsu Strawbear	PRC	from the date of execution of the agreement to the 7th anniversary of first broadcast
(11)	Winter Begonia (鬢邊不是海棠紅)	Beijing iQIYI	Jiangsu Strawbear	PRC	from the effective date of the agreement to the end of the 60th month since first broadcast
(12)	Get Married Or Not (誰說我結不了婚)	Beijing iQIYI Internet Technology Co., Ltd. (北京愛奇藝互聯科技有限公司)	Jiangsu Strawbear	Mainland China	from the effective date of the agreement to the 3rd anniversary of first broadcast

(vi) *Software copyright*

No.	Copyright	Registration Number	Registration Date
1.	Nova Multi-channel Camera Synchronization Setting Software V1.0 (諾華多路相機同步設置軟件V1.0)	2015SR203528	October 22, 2015
2.	Nova DMX Light Control Software V1.0 (諾華DMX燈光控制軟件V1.0)	2015SR203286	October 22, 2015
3.	Nova Virtual Actor Collection Software V1.0 (諾華虛擬演員採集軟件V1.0)	2015SR203532	October 22, 2015
4.	Nova Production Process Management System V1.0 (諾華生產流程管理系統V1.0)	2016SR062120	March 25, 2016
5.	Nova Expression Capture Control Software for Binocular Camera V1.0 (諾華雙目攝像頭表情捕捉控制軟件V1.0)	2016SR213839	August 11, 2016
6.	Nova Facial Expression Driving Data Computing Software V1.0 (諾華面部表情驅動數據計算軟件 V1.0)	2018SR424562	June 6, 2018
7.	Nova Real-time Image-matting Software V1.0 (諾華實時摺像軟件V1.0)	2018SR421966	June 6, 2018
8.	Nova Wireless Synchronous Capturing Control System for Multi-channel HD Camera V1.0 (諾華無線多路高清攝像頭同步採集控制系統V1.0)	2018SR426055	June 7, 2018
9.	Wide Color Gamut LED Color Mixing System V1.0 (寬色域LED混色系統V1.0)	2018SR470300	June 21, 2018
10.	Dynamic Model Reconstruction Software V1.0 (動態模型重建軟件V1.0)	2020SR1122776	September 18, 2020
11.	High-precision Restoration and Displacement Software for Maps and Normals V1.0 (高精度還原置換貼圖及法綫軟件V1.0)	2020SR1121290	September 18, 2020

Note:

- (1) As advised by our PRC Legal Advisors, complete copyright includes (i) the right of publication; (ii) the right of authorship; (iii) the right of revision; (iv) the right of integrity; (v) the right of re-production; (vi) the right of distribution; (vii) the right of rent; (viii) the right of exhibition; (ix) the right of performance; (x) the right of projection; (xi) the right of broadcasting; (xii) the right of communication of information via network; (xiii) the right of cinematization; (xiv) the right of adaptation; (xv) the right of translation; (xvi) the right of compilation; and (xvii) the other rights to which a copyright owner is entitled.

(d) Domain names

As of the Latest Practicable Date, we have registered the following domain names which we consider to be or may be material to our business:

No.	Domain Name	Registrant	Expiry Date
(1)	strawbear.net	Jiangsu Strawbear	April 28, 2021
(2)	strawbearchina.com	Jiangsu Strawbear	April 28, 2021
(3)	strawbearculture.cn	Jiangsu Strawbear	April 28, 2021
(4)	strawbearculture.com	Jiangsu Strawbear	April 28, 2021
(5)	strawbearentertainment.cn	Jiangsu Strawbear	April 28, 2021
(6)	strawbearentertainment.com	Jiangsu Strawbear	April 28, 2021
(7)	strawbearentertainment.xyz	Jiangsu Strawbear	April 29, 2021
(8)	strawbearfilm.cn	Jiangsu Strawbear	April 28, 2021
(9)	strawbearfilm.xyz	Jiangsu Strawbear	April 29, 2021
(10)	strawbeargroup.cn	Jiangsu Strawbear	April 28, 2021
(11)	strawbeargroup.com	Jiangsu Strawbear	April 28, 2021
(12)	strawbeargroup.xyz	Jiangsu Strawbear	April 29, 2021
(13)	strawbearhk.cn	Jiangsu Strawbear	April 28, 2021
(14)	strawbearhk.com	Jiangsu Strawbear	April 28, 2021
(15)	strawbearpicture.cn	Jiangsu Strawbear	April 28, 2021
(16)	strawbearpicture.com	Jiangsu Strawbear	April 28, 2021
(17)	strawbearpicture.xyz	Jiangsu Strawbear	April 29, 2021
(18)	novafilm.cn	Nova Film	July 9, 2023
(19)	novafilm.com.cn	Nova Film	July 9, 2023

C. FURTHER INFORMATION ABOUT OUR DIRECTORS AND SUBSTANTIAL SHAREHOLDERS

(1) Disclosure of Interests

(a) *Disclosure of interest – interests and short positions of our Directors and the chief executive of our Company in the Shares, underlying Shares and debentures of our Company and its associated corporations*

Immediately following the completion of the Global Offering (without taking into account the Shares which may be allotted and issued upon the exercise of the Over-allotment Option and the Pre-IPO Share Options), the interest or short position of our Directors or chief executives of our Company in the Shares, underlying shares and debentures of our Company or its associated corporations (within the meaning of Part XV of the SFO) which will be required to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interest or short positions which they were taken or deemed to have under such provisions of the SFO) or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required, pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers to be notified to our Company and the Stock Exchange, once the Shares are listed, will be as follows:

(i) *Interest in the Shares of our Company*

<u>Name of Director</u>	<u>Nature of interest</u>	<u>Number of Shares⁽¹⁾</u>	<u>Approximate percentage of shareholding⁽¹⁾</u>
Mr. Liu	Founder of a discretionary trust ⁽²⁾	290,480,000	43.81%
	Interest held through voting powers entrusted by other persons ⁽³⁾	109,520,000	16.52%
Ms. Zhai	Founder of a discretionary trust ⁽⁴⁾	32,000,000	4.83%

Notes:

- (1) The percentage is for illustrative purpose only and is calculated based on the number of Shares in issue immediately following the completion of the Global Offering (without taking into account the Shares which may be allotted and issued upon the exercise of the Over-allotment Option and the Pre-IPO Share Options).
- (2) Leading Glory is owned as to (i) 99% by Master Genius, the holding vehicle used by Family Trust Singapore, the trustee of the LXF Family Trust which is a discretionary trust established by Mr. Liu as the settlor and protector and Mr. Liu's wholly-owned holding company Master Sagittarius as the beneficiary; and (ii) 1% by Master Sagittarius which is wholly owned by Mr. Liu. Accordingly, each of Master Sagittarius, Master Genius and Mr. Liu is deemed to be interested in all the Shares held by Leading Glory.
- (3) Pursuant to the Voting Arrangement Agreements, Mr. Liu, Master Sagittarius and Leading Glory are able to exercise voting rights entrusted from the other signing parties and are therefore deemed to be interested in the shareholding interest in our Company held by the other signing parties by virtue of the SFO. For further details, see "History, Reorganization and Corporate Development — Voting Arrangement and Lock-up Arrangements."
- (4) Golden Basin is owned as to (i) 99% by Smart Century, the holding vehicle used by Family Trust Singapore, the trustee of the Gold Fish Trust which is a discretionary trust established by Ms. Zhai as the settlor and protector and Ms. Zhai's wholly-owned holding company Gold Fish as the beneficiary; and (ii) 1% by Gold Fish which is wholly owned by Ms. Zhai. Accordingly, each of Gold Fish, Smart Century and Ms. Zhai is deemed to be interested in all the Shares held by Golden Basin.

(ii) Interest in underlying Shares of our Company

<u>Name of Director</u>	<u>Nature of interest</u>	<u>Number of underlying Shares subject to the Pre-IPO Share Options</u>	<u>Approximate percentage of shareholding⁽¹⁾</u>
Mr. Liu	Interest in a controlled corporation ⁽²⁾	37,648,000	5.68%

Notes:

- (1) The percentage is for illustrative purpose only and is calculated based on the number of Shares in issue immediately following the completion of the Global Offering (without taking into account the Shares which may be allotted and issued upon the exercise of the Over-allotment Option and the Pre-IPO Share Options).
- (2) Gorgeous Horizon, being the beneficial owner of the Pre-IPO Share Options, is wholly owned by Success Tale which is wholly owned by Employee Trust Hong Kong, the trustee of the Strawbear Employee Trust. The Strawbear Employee Trust is a discretionary trust established by Mr. Liu as the settlor and protector and Mr. Liu's wholly-owned holding company Master Sagittarius as the beneficiary.

(iii) Interest in our associated corporation

<u>Name of Director</u>	<u>Nature of interest</u>	<u>Name of associated corporation⁽¹⁾</u>	<u>Approximate percentage of shareholding</u>
Mr. Liu	Beneficial owner	Jiangsu Strawbear	77.9%
	Interest held through voting powers entrusted by other persons ⁽²⁾	Jiangsu Strawbear	22.1%
Ms. Zhang	Beneficial owner	Jiangsu Strawbear	1.0%
Ms. Zhai	Beneficial owner	Jiangsu Strawbear	0.1%

Notes:

- (1) Jiangsu Strawbear is deemed as a subsidiary of our Company under the Contractual Arrangements, and therefore is an associated corporation of our Company by virtue of the SFO.
- (2) Pursuant to the Voting Arrangement Agreements, Mr. Liu is able to exercise voting rights entrusted from the other signing parties and is therefore deemed to be interested in the shareholding interest in Jiangsu Strawbear held by the other signing parties by virtue of the SFO. For further details, see "History, Reorganization and Corporate Development – Voting Arrangement and Lock-up Arrangements."

(b) *Disclosure of interest — interests and short positions disclosable under Divisions 2 and 3 of the Part XV of the SFO*

Save as disclosed in “Substantial Shareholders” in this prospectus, our Directors are not aware of any other person who will, immediately following the completion of the Global Offering, have an interest or short position in the Shares or underlying shares which are required to be disclosed to our Company and the Hong Kong Stock Exchange under the provisions of Divisions 2 and 3 of Part XV of the SFO, or, directly or indirectly, be interested in 10% or more of the nominal value of any class of share capital carrying the rights to vote in all circumstances at the general meetings of our Company.

As of the Latest Practicable Date, so far as is known to our Directors, the following persons were interested in 10% or more of the nominal of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group (other than our Company) or had option in respect of such capital.

<u>Name of shareholder</u>	<u>Nature of interest</u>	<u>Name of member of our Group</u>	<u>Approximate percentage of shareholding</u>
Mr. Liu	Beneficial owner	Jiangsu Strawbear	77.9%
	Interest held through voting powers entrusted by other persons ⁽¹⁾	Jiangsu Strawbear	22.1%
Ms. Liu	Beneficial owner	Jiangsu Strawbear	20.0%
Wuxi Youkong	Beneficial owner	Wuxi Strawbear	40.0%
Ms. Liu Tong (劉桐)	Interest in a controlled corporation ⁽²⁾	Wuxi Strawbear	40.0%
Lihe Xinfeng (Beijing) Culture Media Co., Ltd. (勵合新蜂(北京)文化傳播有限公司) (“ Lihe Xinfeng ”)	Beneficial owner	Beijing Honeybear	49%
Ms. Lin Ruiju (林瑞如)	Interest in a controlled corporation ⁽³⁾	Beijing Honeybear	49%
Xiangshan Xingyu Yaoyun Film Culture Co., Ltd. (象山星宇耀雲影視文化有限公司) (“ Yaoyun Film ”)	Beneficial owner	Xingyu Yinyue	49%
Mr. Wang Chong (王冲)	Interest in a controlled corporation ⁽⁴⁾	Xingyu Yinyue	49%

Note:

- (1) Pursuant to the Voting Arrangement Agreements, Mr. Liu is able to exercise voting rights entrusted from the other signing parties and is therefore deemed to be interested in the shareholding interest in Jiangsu Strawbear held by the other signing parties by virtue of the SFO. For further details, see “History, Reorganization and Corporate Development — Voting Arrangement and Lock-up Arrangements.”
- (2) Ms. Liu Tong (劉桐) is interested in 35% of the equity interest in Wuxi Youkong and is therefore deemed to be interested in the shareholding interest in Wuxi Strawbear held by Wuxi Youkong by virtue of the SFO.
- (3) Ms. Lin Ruiju (林瑞如) is interested in 100% of the equity interest in Lihe Xinfeng and is therefore deemed to be interested in the shareholding interest in Beijing Honeybear held by Lihe Xinfeng by virtue of the SFO.
- (4) Mr. Wang Chong (王冲) is interested in 100% of the equity interest in Yaoyun Film and is therefore deemed to be interested in the shareholding interest in Xingyu Yinyue held by Yaoyun Film by virtue of the SFO.

(2) Particulars of Directors' Service Contracts and Letters of Appointment

Each of Mr. Liu, Ms. Zhang, Mr. Chen Chen and Ms. Zhai, being our executive Directors, has entered into a service contract with our Company, under which they agreed to act as executive Directors for an initial term of three years commencing from the Listing Date. The service contracts may be renewed in accordance with our Memorandum and Articles of Association and the applicable laws, rules and regulations.

Each of Mr. Wang Xiaohui and Mr. Wang Jun, being our non-executive Directors has entered into a letter of appointment with our Company, under which they agreed to act as non-executive Director for an initial term of three years commencing from the Listing Date. The letters of appointment may be renewed in accordance with our Memorandum and Articles of Association and the applicable laws, rules and regulations.

Each of Mr. Ma Zhongjun, Mr. Zhang Senquan, and Mr. Chung Chong Sun, being our independent non-executive Directors has entered into a letter of appointment with our Company, under which they agreed to act as independent non-executive Director for an initial term of three years from the date of appointment or until the third annual general meeting of the Company since the Listing Date, whichever ends earlier. The letters of appointment may be renewed in accordance with our Memorandum and Articles of Association and applicable laws, rules and regulations.

(3) Directors' Remuneration

The aggregate amounts of remuneration (including fees, salaries, contributions to pension schemes, housing allowances and other allowances and benefits in kind and discretionary bonuses) paid to our Directors for the years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020 were RMB0.8 million, RMB43.3 million, RMB1.6 million and RMB2.9 million, respectively. An aggregate of 800 Shares of our Company were transferred from certain of our then existing Shareholders to one of our key management personnel at nil consideration in 2018, which are accounted for as a share-based compensation expense in our Group's profit or loss for the year ended December 31, 2018. See Note 34 to the Accountants' Report in Appendix I to this prospectus for further details. In addition, a share based compensation expense of approximately RMB2.1 million relating to the Pre-IPO Share Options granted to Mr. Liu on May 11, 2020 were recognized in our Group's profit or loss for the six months ended June 30, 2020.

There was no arrangement under which a Director has waived or agreed to waive any emoluments for each of the three financial years immediately preceding the issue of this prospectus.

Save as disclosed above, no other payments have been made or are payable in respect of the three years ended December 31, 2017, 2018 and 2019 and the six months ended June 30, 2020 by any member of our Group to any of our Directors.

During the Track Record Period, no remuneration was paid by us to, or receivable by, our Directors or the five highest paid individuals as an inducement to join or upon joining our Company. No compensation was paid by us to, or receivable by, our Directors, former Directors, or the five highest-paid individuals for each of the Track Record Period for the loss of any office in connection with the management of the affairs of any members of our Group.

It is estimated that remuneration equivalent to approximately RMB12.2 million in aggregate will be paid to the Directors (inclusive of benefits in kind but exclusive of any discretionary bonuses) by our Company for the year ending December 31, 2020, based on the arrangements currently in force including certain share based compensation expense relating to the Pre-IPO Share Options granted to Mr. Liu on May 11, 2020, details of which are set out in Note 34 of the Accountants' Report in Appendix I to this prospectus.

(4) Personal Guarantees

Save as disclosed in “Relationship with Our Controlling Shareholders — Independence from Our Controlling Shareholders — Financial Independence” and “Financial Information — Indebtedness — Bank Borrowings,” our Directors have not provided personal guarantees in favor of lenders in connection with banking facilities granted or to be granted to any member of our Group.

(5) Agency Fees or Commissions Received

No commissions, discounts, brokerages or other special terms were granted within the two years preceding the date of this prospectus in connection with the issue or sale of any capital of any member of our Group.

(6) Disclaimers

- (a) Save as disclosed in “— C. Further Information About Our Directors and Substantial Shareholders — (1) Disclosure of Interests,” none of our Directors or the chief executive of our Company has any interest or short position in the Shares, underlying shares or debentures of our Company or any of its associated corporation (within the meaning of the SFO) which will have to be notified to our Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO or which will be required, pursuant to section 352 of the SFO, to be entered in the register referred to therein, or which will be required to be notified to our Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers once the Shares are listed;
- (b) none of our Directors or any of the experts referred to under paragraph headed “D. Other Information — (8) Qualification of Experts” in this appendix has any direct or indirect interest in the promotion of our Company, or in any assets which have within the two years immediately preceding the date of this prospectus been acquired or disposed of by or leased to any member of our Group, or are proposed to be acquired or disposed of by or leased to any member of our Group;
- (c) none of our Directors is materially interested in any contract or arrangement subsisting at the date of this prospectus which is significant in relation to the business of our Group;
- (d) save as disclosed in “— C. Further Information About Our Directors and Substantial Shareholders — (2) Particulars of Directors' Service Contracts and Letters of Appointment,” none of our Directors has any existing or proposed service contracts with any member of our Group (excluding contracts expiring or determinable by the employer within one year without payment of compensation (other than statutory compensation));

- (e) save as disclosed in “— C. Further Information About Our Directors and Substantial Shareholders — (1) Disclosure of Interests,” taking no account of any Shares which may be taken up under the Global Offering, so far as is known to our Directors or the chief executive of our Company, no person (not being a Director or chief executive of our Company) who will, immediately following the completion of the Global Offering, have an interest or short position in the Shares or underlying shares of our Company which would fall to be disclosed to our Company under the provisions of Divisions 2 and 3 of Part XV of SFO or be interested, directly or indirectly, in 10% or more of the nominal value of any class of share capital carrying rights to vote in all circumstances at general meetings of any member of our Group; and
- (f) so far as is known to our Directors, except iQIYI, none of our Directors, their respective close associates (as defined under the Listing Rules) or our Shareholders who are interested in more than 5% of the issued share capital of our Company has any interest in the five largest customers or the five largest suppliers of our Group.

D. OTHER INFORMATION

(1) Pre-IPO Share Option Scheme

The following is a summary of the principal terms of the Pre-IPO Share Option Scheme effective from May 11, 2020. The terms of the Pre-IPO Share Option Scheme are not subject to the provisions of Chapter 17 of the Listing Rules as the Pre-IPO Share Option Scheme will not involve the grant of options by us to subscribe for Shares after the Listing.

(a) Purpose

The purpose of the Pre-IPO Share Option Scheme is to provide selected participants with the opportunity to acquire proprietary interests in the Company and to encourage selected participants to work towards enhancing the value of the Company and its Shares for the benefit of the Company and its Shareholders as a whole. The Pre-IPO Share Option Scheme provides the Company with a flexible means of retaining, incentivizing, rewarding, remunerating, compensating and/or providing benefits to selected participants.

(b) Who may join

Our Board (which expression shall, for the purpose of this paragraph, include a duly authorized committee thereof) may determine any directors and employees of any member of our Group (including nominees and/or trustees of any employee benefit trusts established for them), who our Board considers, in its sole discretion, have contributed to our Group, to take up options to subscribe for Shares.

(c) Maximum number of Shares

The overall limit on the number of Shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Pre-IPO Share Option Scheme at any time shall not exceed 37,648,000 Shares, representing 5.68% of the total issued Shares immediately following the completion of the Global Offering (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the Pre-IPO Share Options) (the “**Scheme Limit**”).

(d) Vesting Period

The underlying Shares in respect of the options may be vested in the Grantees in accordance with the vesting schedule set out below, subject to the satisfaction of performance condition as determined by the Board at its discretion.

<u>Vesting Date</u>	<u>Maximum percentage of underlying Shares in respect of the options may be vested</u>
May 12, 2022	5%
May 12, 2023	10%
May 12, 2024	15%
May 12, 2025	30%
May 12, 2026	40%

Notwithstanding the above, the Board may in its sole discretion amend the vesting schedule and vest any percentage of the underlying Shares in respect of the options.

(e) Subscription price for Shares

The subscription price in relation to each Share issued pursuant to the exercise of options granted under the Pre-IPO Share Option Scheme shall be determined by the Board at its discretion and set out in the relevant offer, provided that it shall not be less than the nominal value of a Share as at the date of grant.

A nominal consideration of RMB1.00 is payable by a Grantee upon acceptance of the grant of the options.

(f) Time of acceptance and exercise of option

An option may be accepted by a participant within 10 business days from the date of the offer of grant of the option.

An option may be exercised in accordance with the terms of the Pre-IPO Share Option Scheme at any time during a period to be determined and notified by our Directors to each Grantee, which period may commence on a day after the date upon which the offer for the grant of options is made but shall end in any event not later than 10 years from the date of grant of the option subject to the provisions for early termination under the Pre-IPO Share Option Scheme.

(g) *Cancellation of options granted*

Any options granted but not exercised may be canceled if the relevant Grantee so agrees in writing. Issuance of new options to the same Grantee may only be made if there are unissued options available under the Pre-IPO Share Option Scheme (excluding the canceled options) and in compliance with the terms of the Pre-IPO Share Option Scheme.

(h) *Lapse of an option*

An option shall lapse automatically (to the extent not already exercised and subject always to the terms and conditions upon which such option was granted) on the earliest of the expiry of the period referred to in subparagraph (f) or:

- (i) the expiry of the periods or dates referred to in sub-paragraphs (j), (k), (m) and (n);
- (ii) the date on which the Grantee (being an employee or a director of the Group) ceases to be a participant by reason of the termination of his employment or engagement on the grounds that he has been guilty of serious misconduct, or has been convicted of any criminal offense involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment summarily;
- (iii) the date on which the Grantee joins a company which the Board believes in its sole and reasonable opinion to be a competitor of our Company;
- (iv) the date on which the Grantee (being a corporation) appears either to be unable to pay or to have no reasonable prospect of being able to pay its debts or has become insolvent or has made any arrangement or composition with its creditors generally;
- (v) unless our Board otherwise determines, and other than in the circumstances referred to in subparagraphs (j) or (k), the date the Grantee ceases to be a participant (as determined by a Board resolution) for any other reason;
- (vi) the date on which the Board determines at its sole discretion that allowing the relevant Grantee to exercise the option is not in the best interests of the Company; or
- (vii) the date on which the Board determines at its sole discretion that there is no reasonable prospect of obtaining the listing approval for the Shares to be issued pursuant to the exercise of the options from the Stock Exchange.

(i) *Period of the Pre-IPO Share Option Scheme*

The Pre-IPO Share Option Scheme will remain in force for the period ending on the latest practicable date for ascertaining certain information contained in this prospectus prior to the printing of this prospectus (inclusive of the date).

(j) *Rights on ceasing employment*

If the Grantee of an option is an eligible employee and ceases to be an eligible employee for any reason other than death, or on other grounds referred to in sub-paragraph (l) below before exercising his or her option in full, the Grantee may exercise the options then vested at any time prior to or the date of cessation unless the Board otherwise determines, in whole or in part within such period as our Directors may determine following the date of such cessation, which will be taken to be the last day on which the Grantee was physically at work with our Group whether salary is paid in lieu of notice or not.

(k) *Rights on death*

If the Grantee of an option ceases to be a participant by reason of his death, before exercising the option in full, the personal representative(s) of the Grantee shall be entitled to exercise the option in whole or in part within a period following the date of death of the Grantee as determined by the Board.

(l) *Rights on dismissal*

If the Grantee of an option ceases to be a participant by reason of the termination of his employment or engagement on the grounds that he has been guilty of serious misconduct, or has been convicted of any criminal offense involving his integrity or honesty or on any other ground on which an employer would be entitled to terminate his employment summarily, his option will lapse automatically.

(m) *Rights on a general offer, a compromise or arrangement*

If a general offer by way of takeover or otherwise (other than by way of scheme of arrangement) is made to our Shareholders and has been approved by the necessary number of Shareholders at the requisite meetings, the Company shall forthwith give notice thereof to the Grantee and the Grantee shall be entitled to exercise the option to its full extent or, if our Company shall forthwith give the relevant notification, to the extent notified by our Company, at any time within such period as shall be notified by our Company.

If a general offer for Shares by way of scheme of arrangement is made to all our Shareholders and has been approved by the necessary number of Shareholders at the requisite meetings, our Company shall forthwith give notice thereof to the Grantee and the Grantee may at any time thereafter (but before such time as shall be notified by our Company) exercise the option to its full extent or, if our Company shall give the relevant notification, to the extent notified by our Company.

In the event of a compromise or arrangement, other than a scheme of arrangement, between our Company and our Shareholders and/or creditors being proposed in connection with a scheme for the reconstruction of our Company or its amalgamation with any other companies pursuant to the laws of the jurisdiction in which our Company was incorporated, our Company shall give notice thereof to all Grantees on the same day as it first gives notice of the meeting to its members and/or creditors summoning the meeting to consider such a scheme or arrangement and the Grantee may at any time thereafter (but before such time as shall be notified by our Company) exercise the option to its full extent or, if our Company shall give the relevant notification, to the extent notified by our Company, and our Company shall as soon as possible and in any event no later than three days prior to the date of the proposed meeting, allot, issue and register in the name of the Grantee such number of fully paid Shares which fall to be issued on exercise of such option.

(n) Rights on winding up

In the event a notice is given by our Company to our Shareholders to convene a general meeting for the purpose of considering and, if thought fit, approving a resolution to voluntarily wind-up our Company, our Company shall forthwith give notice thereof to the Grantee and the Grantee (or in the case of the death of the Grantee, his personal representatives(s)) may at any time within such period as shall be notified by our Company, subject to the provisions of all applicable laws, exercise the option to its full extent or, if our Company shall give the relevant notification, to the extent notified by our Company, and our Company shall as soon as possible and in any event no later than three days prior to the date of the proposed general meeting, allot, issue and register in the name of the Grantee such number of fully paid Shares which fall to be issued on exercise of such option.

(o) Adjustments

In the event of an alteration in the capital structure of the Company whilst any option remains exercisable by way of capitalization of profits or reserves, rights issue, subdivision or consolidation of shares, or reduction of the share capital of the Company in accordance with legal requirements and requirements of the Stock Exchange (other than any alteration in the capital structure of the Company as a result of an issue of Shares as consideration in a transaction to which the Company is a party), such corresponding alterations (if any) shall be made to:

- (i) the number or nominal amount of Shares comprised in each option so far as unexercised; and/or
- (ii) the subscription price; and/or
- (iii) the method of exercise of the option,

or any combination thereof, as the auditors or a financial adviser engaged by the Company for such purpose shall, at the request of the Company, certify in writing, either generally or as regards any particular Grantee, to be in their opinion fair and reasonable, provided always that any such adjustments should give each Grantee the same proportion of the equity capital of the Company as that to which that Grantee was previously entitled prior to such adjustments, and no adjustments shall be made which will enable a Share to be issued at less than its nominal value. The capacity of the auditors or financial adviser (as the case may be) in this sub-paragraph is that of experts and not of arbitrators and their certification shall, in the absence of manifest error, be final and binding on the Company and the Grantees. The costs of the auditors or financial adviser (as the case may be) shall be borne by the Company.

(p) Others

The exercise of the Pre-IPO Share Options is conditional on the Stock Exchange granting or agreeing to grant approval of (subject to such condition as the Stock Exchange may impose) the listing of and permission to deal in such number of Shares to be issued pursuant to the exercise of any Pre-IPO Share Options and the commencement of dealings in the Shares on the Stock Exchange. Application has been made to the Stock Exchange for the listing of and permission to deal in the Shares to be issued pursuant to the exercise of any Pre-IPO Share Options.

The rights of the Grantee of an option referred to in sub-paragraphs (j) to (n) above are subject to the terms and conditions upon the option was granted.

Any alterations to the terms and conditions of the Pre-IPO Share Option Scheme which are of a material nature or any change to the terms of options granted (except changes made to the terms and conditions of options granted at the request of the Stock Exchange and/or other regulatory authorities) must be approved by our Shareholders in a general meeting and the Stock Exchange, except where the alterations take effect automatically under the existing terms of the Pre-IPO Share Option Scheme.

Any change to the authority of our Directors or the scheme administrators in relation to any alteration to the terms of the Pre-IPO Share Option Scheme shall be approved by our Shareholders in a general meeting.

(q) Outstanding options granted

The grant of options under the Pre-IPO Share Option Scheme to the Grantee as set out below was approved by the Board on May 11, 2020. The overall limit on the number of underlying Shares pursuant to the Pre-IPO Share Option Scheme is 37,648,000 Shares. The number of underlying Shares pursuant to the Pre-IPO Share Options amounts to 37,648,000 Shares, representing 5.68% of the total issued Shares immediately following the completion of the Global Offering (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option and the Pre-IPO Share Options).

The table below sets out the details of options granted to one Grantee, being our executive Director and chief executive officer, under the Pre-IPO Share Option Scheme:

<u>Name of Grantee</u>	<u>Address</u>	<u>Number of Shares under the options granted</u>	<u>Date of grant</u>	<u>Option period</u>	<u>Approximate percentage of issued Shares immediately after completion of the Global Offering (Note 1)</u>
Mr. Liu ⁽²⁾	Room 901, Unit 3, Building 3, No. 69, Zhanjiang Road, Gulou District, Nanjing, Jiangsu Province, the PRC	37,648,000	May 11, 2020	10 years from the date of the grant	5.68%

Notes:

- (1) The above table assumes that the Over-allotment Option and the Pre-IPO Share Options are not exercised. On every vesting date, the underlying Shares in respect of the Pre-IPO Share Options may be vested in the Grantee in accordance with the vesting schedule as disclosed in sub-paragraph (d) above, subject to the satisfaction of performance condition as determined by the Board at its discretion. Notwithstanding the above, the Board may in its sole discretion amend the vesting schedule and vest any percentage of the underlying Shares in respect of the Pre-IPO Share Options.

- (2) On November 18, 2020, Mr. Liu transferred all of his 37,648,000 Pre-IPO Share Options to Gorgeous Horizon which is indirectly wholly owned by Employee Trust Hong Kong, the trustee of the LXF Option Trust. The LXF Option Trust is a personal discretionary trust established by Mr. Liu as the settlor and protector and Mr. Liu's wholly-owned holding company Master Sagittarius as the beneficiary.

Save and except as set out above, no other options have been granted or agreed to be granted by the Company under the Pre-IPO Share Option Scheme.

As of the Latest Practicable Date, all of the Pre-IPO Share Options were not exercised and remained outstanding. Assuming full vesting and exercise of the outstanding Pre-IPO Share Options, the shareholding percentage of our Shareholders immediately following the Listing would be diluted by approximately 5.37% as calculated based on 700,748,000 Shares then in issue (without taking into account any Shares which may be allotted and issued pursuant to the exercise of the Over-allotment Option) and the dilution effect on our earnings per Share would be 5.37%.

(r) Ranking of Shares

Shares allotted and issued upon the exercise of an option shall be identical to the then existing issued shares of our Company and subject to all the provisions of the Memorandum and Articles and will rank pari passu with the fully paid Shares in issue on the date the name of the grantee is registered on the register of members of our Company or, if that date falls on a day when the register of members of our Company is closed, the first day of the re-opening of the register of members, save that the grantee shall not have any voting rights, or rights to participate in any dividends or distributions (including those arising on a liquidation of the Company) declared or recommended or resolved to be paid to the Shareholders on the register on a date prior to such registration.

Unless the context otherwise requires, references to "Shares" in this sub-paragraph include references to shares in the ordinary equity share capital of our Company of such nominal amount as shall result from a subdivision, consolidation, re-classification or re-construction of the share capital of our Company from time to time.

(s) Termination

Our Company may by ordinary resolution in a general meeting or the Board may at any time resolve to terminate the operation of the Pre-IPO Share Option Scheme prior to the expiry of the Pre-IPO Share Option Scheme and in such event no further options shall be offered or granted but the provisions of the Pre-IPO Share Option Scheme shall remain in force to the extent necessary to give effect to the exercise of any options granted prior thereto or otherwise as may be required in accordance with the provisions of the Pre-IPO Share Option Scheme. Options granted prior to such termination shall continue to be valid and exercisable in accordance with the Pre-IPO Share Option Scheme.

(2) Estate Duty

Our Directors have been advised that no material liability for estate duty is likely to fall on our Company or any of our subsidiaries.

(3) Litigation

During the Track Record Period and up to the Latest Practicable Date, so far as our Directors are aware, no litigation or claim of material importance (to our Group's financial condition or results of operation) is pending or threatened against any member of our Group.

(4) Joint Sponsors and Joint Sponsors' Fees

The Joint Sponsors have made an application on our behalf to the Stock Exchange for the listing of, and permission to deal in, the Shares in issue and the Shares to be issued as mentioned in this prospectus (including the additional Shares which may fall to be issued pursuant to exercise of the Over-allotment Option (if any), and the exercise of options granted or to be granted under the Pre-IPO Share Option Scheme).

The Joint Sponsors satisfy the independence criteria applicable to sponsors set out in Rule 3A.07 of the Listing Rules. The sponsor fee payable to the Joint Sponsors by our Company is US\$800,000.

(5) Preliminary Expenses

The preliminary expenses incurred by us in relation to our incorporation were approximately US\$7,270 and were paid by us.

(6) Promoter

We do not have any promoter for the purpose of the Listing Rules. Within the two years immediately preceding the date of this prospectus, no cash, securities or other benefit has been paid, allotted or given nor are any proposed to be paid, allotted or given to any promoter in connection with the Global Offering and the related transactions described in this prospectus.

(7) Taxation of Holders of Shares**(a) Hong Kong**

The sale, purchase and transfer of Shares registered with our Hong Kong branch register of members will be subject to Hong Kong stamp duty. The current rate charged on each of the purchaser and seller is 0.1% of the consideration of or, if higher, of the fair value of the Shares being sold or transferred. Profits from dealings in the Shares arising in or derived from Hong Kong may also be subject to Hong Kong profits tax.

(b) Cayman Islands

There is no stamp duty payable in the Cayman Islands on transfers of shares of Cayman Islands companies save for those which hold interests in land in the Cayman Islands.

(c) Consultation with Professional Advisors

Intending holders of the Shares are recommended to consult their professional advisors if they are in any doubt as to the taxation implications of subscribing for, purchasing, holding or disposing of or dealing in the Shares. It is emphasized that none of our Company, our Directors or the other parties involved in the Global Offering will accept responsibility for any tax effect on, or liabilities of, holders of Shares resulting from their subscription for, purchase, holding or disposal of or dealing in the Shares or exercise of any rights attaching to them.

(8) Qualification of Experts

The following are the qualifications of the experts who have given opinion or advice which are contained in this prospectus:

Name	Qualifications
China Merchants Securities (HK) Co., Limited	Licensed corporation to conduct Type 1 (dealing in securities), Type 2 (dealing in futures contracts), Type 4 (advising on securities), Type 6 (advising on corporate finance) and Type 9 (asset management) regulated activities as defined under the SFO
China Securities (International) Corporate Finance Company Limited	Licensed corporation to conduct Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities as defined under the SFO
Ernst & Young	Certified Public Accountants
Commerce & Finance Law Offices	PRC legal advisors to our Company
Harney Westwood & Riegels	Cayman Islands legal advisors to our Company
Frost & Sullivan	Industry consultant

(9) Consents of Experts

Each of China Merchants Securities (HK) Co., Limited, China Securities (International) Corporate Finance Company Limited, Ernst & Young, Commerce & Finance Law Offices, Harney Westwood & Riegels and Frost & Sullivan has given and has not withdrawn its consent to the issue of this prospectus with the inclusion of its view, report and/or letter and/or legal opinion (as the case may be) and references to its name included herein in the form and context in which it respectively appears.

None of the experts named above has any shareholding interest in our Company or any of our subsidiaries or the right (whether legally enforceable or not) to subscribe for or to nominate persons to subscribe for securities in our Company or any of our subsidiaries.

(10) Bilingual Prospectus

The English language and Chinese language versions of this prospectus are being published separately in reliance on the exemption provided in section 4 of the Companies Ordinance (Exemption of Companies and Prospectuses from Compliance with Provisions) Notice (Chapter 32L of the Laws of Hong Kong).

(11) Binding Effect

This prospectus shall have the effect, if an application is made in pursuance hereof, of rendering all persons concerned bound by all of the provisions (other than the penal provisions) of sections 44A and 44B of the Companies (Winding Up and Miscellaneous Provisions) Ordinance so far as applicable.

(12) Miscellaneous

- (a) Within the two years immediately preceding the date of this prospectus:
 - (i) save as disclosed in “History, Reorganization and Corporate Development,” no share or loan capital of our Company or any of our subsidiaries had been issued or agreed to be issued or proposed to be fully or partly paid either for cash or a consideration other than cash;
 - (ii) no commissions, discounts, brokerages or other special terms had been granted or agreed to be granted in connection with the issue or sale of any share or loan capital of our Company or any of our subsidiaries;
 - (iii) no commission had been paid or payable for subscription, agreeing to subscribe, procuring subscription or agreeing to procure subscription of any share in our Company or any of our subsidiaries;
- (b) save as disclosed in this prospectus, no share or loan capital of our Company or any of our subsidiaries had been under option or agreed conditionally or unconditionally to be put under option;
- (c) save as disclosed in this prospectus, there are no founder, management or deferred shares, convertible debt securities nor any debentures in our Company or any of our subsidiaries;
- (d) our Directors confirm that there has been no material adverse change in the financial or trading position of our Group since June 30, 2020 (being the date to which the latest audited consolidated financial statements of our Group were made up);
- (e) there has not been any interruption in the business of our Group which may have or has had a significant effect on the financial position of our Group in the 12 months preceding the date of this prospectus;

- (f) our principal register of members will be maintained by our principal registrar, Harneys Fiduciary (Cayman) Limited, in the Cayman Islands and our Hong Kong register of members will be maintained by Tricor Investor Services Limited. All transfer and other documents of title of the Shares must be lodged for registration with and registered by our share register in Hong Kong.
- (g) all necessary arrangements have been made to enable the Shares to be admitted to CCASS;
- (h) no company within our Group is listed on any stock exchange or traded on any trading system and at present, and our Group is not seeking or proposing to seek any listing of, or permission to deal in, the share or loan capital of our Company on any other stock exchange; and
- (i) there is no arrangement under which future dividends are waived or agreed to be waived.