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If you are in any doubt as to any aspect of this circular or as to the action to be taken, you should consult a stockbroker or other registered dealer in securities, bank manager, solicitor, professional accountant or other professional adviser.

If you have sold or transferred all your shares in **Strawbear Entertainment Group**, you should at once hand this circular and the accompanying form of proxy to the purchaser or transferee or to the bank, stockbroker or other agent through whom the sale or transfer was effected for transmission to the purchaser or transferee.

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Strawbear Entertainment Group **稻草熊娱乐集团**

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2125)

PROPOSALS FOR GRANTING OF GENERAL MANDATES TO ISSUE SHARES AND TO REPURCHASE SHARES, RE-ELECTION OF DIRECTORS, PROPOSED AMENDMENTS TO THE MEMORANDUM AND ARTICLES OF ASSOCIATION AND THE ADOPTION OF THE SEVENTH AMENDED AND RESTATED MEMORANDUM AND ARTICLES OF ASSOCIATION AND NOTICE OF ANNUAL GENERAL MEETING

A notice convening the AGM of **Strawbear Entertainment Group** to be held at Building A2, SHANG 8 Design and Creative Industry Park, Chaoyang District, Beijing, China on Thursday, June 9, 2022 at 10:00 a.m., at which, among other things, the above proposals will be considered, is set out on pages 29 to 34 of this circular.

A form of proxy for use at the AGM is also enclosed. Such form of proxy is also published on the websites of The Stock Exchange of Hong Kong Limited (www.hkexnews.hk) and the Company (www.strawbearentertainment.com), respectively. Whether or not you intend to attend the AGM, you are requested to complete and return the accompanying form of proxy in accordance with the instructions printed thereon to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

PRECAUTIONARY MEASURES FOR THE AGM

To safeguard the health and safety of the Shareholders, the Company will implement the following precautionary measures at the AGM to prevent the spreading of the COVID-19:

- (1) Compulsory body temperature checks and health declaration for all attendees, including Directors and Shareholders at the entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius and/or exhibiting flu-like symptoms may be denied entry into the AGM venue and be requested to leave the AGM venue;
- (2) Every attendee is compulsory to wear a surgical facial mask throughout the AGM and maintain a safe distance between seats. Please note that no masks will be provided at the AGM venue and attendees should wear their own masks; and
- (3) The Company will not provide refreshments and will not distribute corporate gifts.

In light of the continuing risks posed by the COVID-19, the Company encourages the Shareholders to consider appointing the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

April 28, 2022

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DEFINITIONS

In this circular, unless the context otherwise requires, the following expressions have the following meanings:

“Annual General Meeting” or “AGM”	the annual general meeting of the Company to be convened and held at Building A2, SHANG 8 Design and Creative Industry Park, Chaoyang District, Beijing, China on Thursday, June 9, 2022 at 10:00 a.m., notice of which is set out on pages 29 to 34 of this circular and any adjournment thereof
“Articles of Association”	the articles of association of the Company (as amended, supplemented or otherwise modified from time to time)
“Board”	the board of Directors
“BVI”	the British Virgin Islands
“China” or the “PRC”	the People’s Republic of China, but for the purpose of this circular and for geographical reference only, references herein to “China” and the “PRC” do not apply to Hong Kong, Taiwan and the Macau Special Administrative Region of the People’s Republic of China
“Companies Law”	the Companies Law, Cap.22 (Law 3 of 1961, as revised) of the Cayman Islands, as amended, consolidated or otherwise modified from time to time
“Company”	Strawbear Entertainment Group, an exempted company incorporated in the Cayman Islands on January 3, 2018 with limited liability whose Shares are listed on the Main Board of the Stock Exchange (Stock Code: 2125)
“Director(s)”	director(s) of the Company
“Employee Trust Hong Kong”	Vistra Trust (Hong Kong) Limited, an independent third-party professional trust company established in Hong Kong
“Family Trust Singapore”	Vistra Trust (Singapore) Pte. Limited, an independent third-party professional trust company established in Singapore

DEFINITIONS

“Group”	the Company, its subsidiaries and the entities the Company controls through a series of contractual arrangements from time to time
“HK\$”	Hong Kong dollars, the lawful currency of Hong Kong
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Issuing Mandate”	a general unconditional mandate proposed to be granted to the Directors at the AGM to allot, issue and deal with Shares of up to 20% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate and adding thereto any Shares representing the aggregate number of Shares repurchased by the Company pursuant to the authority granted under the Repurchase Mandate
“Jiangsu Strawbear”	Jiangsu Strawbear Film Co., Ltd. (江蘇稻草熊影業有限公司), a limited liability company established in the PRC on June 13, 2014 and indirectly controlled by the Company through the contractual arrangements
“Latest Practicable Date”	April 20, 2022, being the latest practicable date prior to the printing of this circular for ascertaining certain information contained herein
“Leading Glory”	LEADING GLORY INVESTMENTS LIMITED, a BVI business company incorporated under the laws of the BVI on April 1, 2020 and owned as to 99% by Master Genius and 1% by Master Sagittarius
“Listing Date”	the date on which dealings in the Shares on the Stock Exchange commenced, being January 15, 2021
“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange, as amended, supplemented or otherwise modified from time to time
“LXF Family Trust”	the trust established by Mr. Liu Xiaofeng as the settlor and the protector, with Employee Trust Hong Kong as the trustee and Master Sagittarius as the beneficiary

DEFINITIONS

“Master Genius”	MASTER GENIUS GLOBAL LIMITED, a BVI business company incorporated under the laws of the BVI on August 28, 2020 and wholly owned by Family Trust Singapore, the trustee of the LXF Family Trust
“Master Sagittarius”	Master Sagittarius Holding Limited, a BVI business company incorporated under the laws of the BVI on December 18, 2017 and wholly owned by Mr. Liu Xiaofeng, one of the controlling shareholders of the Company
“Memorandum” or “Memorandum of Association”	the memorandum of association of the Company (as amended, supplemented or otherwise modified from time to time)
“Nomination Committee”	the nomination committee of the Company
“Proposed Amendments”	the proposed amendments to the Memorandum and the Articles of Association, the details of which are set out in Appendix III to this circular
“Prospectus”	the prospectus of the Company published on December 31, 2020
“Repurchase Mandate”	a general unconditional mandate proposed to be granted to the Directors at the AGM to repurchase such number of issued and fully paid Shares of up to 10% of the total number of Shares in issue as at the date of passing of the relevant resolution granting such mandate
“Seventh Amended and Restated Memorandum and Articles of Association”	the seventh amended and restated memorandum of association and articles of association of the Company incorporating and consolidating all the Proposed Amendments
“SFO”	the Securities and Futures Ordinance (Chapter 571, Laws of Hong Kong), as amended, supplemented or otherwise modified from time to time
“Share(s)”	the ordinary share(s) of US\$0.000025 each in the share capital of the Company
“Shareholder(s)”	the holder(s) of the Shares
“Stock Exchange”	The Stock Exchange of Hong Kong Limited

DEFINITIONS

“Takeovers Code”	the Codes on Takeovers and Mergers and Share Buy-backs, as amended, supplemented or otherwise modified from time to time
“Voting Arrangement Agreements”	the agreement and supplemental agreement thereof dated November 1, 2018 entered into by, among others, Mr. Liu Xiaofeng, Ms. Liu Shishi, Ms. Zhai Fang, Ms. Zhao Liying, Ms. Zhang Qiuchen and their respective wholly-owned holding companies (where applicable) regarding certain arrangements for the voting rights in the members of the Group, details of which are set out in “History, Reorganization and Corporate Development – Voting Arrangement and Lock-up Arrangements” in the Prospectus
“%”	per cent

LETTER FROM THE BOARD



Strawbear Entertainment Group
稻草熊娱乐集团

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2125)

Executive Directors:

Mr. Liu Xiaofeng (*Chairman*)

Ms. Zhang Qiuchen

Mr. Chen Chen

Ms. Zhai Fang

Non-executive Directors:

Mr. Wang Xiaohui

Ms. Liu Fan

Independent Non-executive Directors:

Mr. Ma Zhongjun

Mr. Zhang Senquan

Mr. Chung Chong Sun

Registered Office:

Harneys Fiduciary (Cayman) Limited

4th Floor, Harbour Place

103 South Church Street

P.O. Box 10240

Grand Cayman, KY1-1002

Cayman Islands

Principal place of business in

Hong Kong:

40/F, Dah Sing Financial Centre

248 Queen's Road East

Wanchai

Hong Kong

April 28, 2022

To the Shareholders

Dear Sir or Madam,

**PROPOSALS FOR
GRANTING OF GENERAL MANDATES
TO ISSUE SHARES AND TO REPURCHASE SHARES,
RE-ELECTION OF DIRECTORS,
PROPOSED AMENDMENTS TO THE MEMORANDUM AND
ARTICLES OF ASSOCIATION AND THE ADOPTION OF
THE SEVENTH AMENDED AND RESTATED MEMORANDUM AND
ARTICLES OF ASSOCIATION
AND
NOTICE OF ANNUAL GENERAL MEETING**

INTRODUCTION

The purpose of this circular is to provide you with the information in respect of the resolutions to be proposed at the AGM to seek approval of the Shareholders in respect of, among other matters, (i) the granting to the Directors of the Issuing Mandate and the Repurchase Mandate; (ii) the re-election of Directors; and (iii) the Proposed Amendments

LETTER FROM THE BOARD

to the Memorandum and Articles of Association and adoption of the Seventh Amended and Restated Memorandum and Articles of Association and to give you notice and seek your approval of the resolutions to these matters in the AGM.

GENERAL MANDATE TO ISSUE SHARES

In order to ensure greater flexibility for the Company to issue new Shares, an ordinary resolution numbered 4 will be proposed at the AGM to grant to the Directors a general mandate to exercise the powers of the Company to allot, issue or otherwise deal with new Shares in the share capital of the Company of up to 20% of the total number of Shares in issue as at the date of the passing of the resolution in relation to such general mandate. As at the Latest Practicable Date, the Company had 694,747,000 Shares in issue. Subject to the passing of the ordinary resolution numbered 4 and on the basis that there is no change to the number of issued shares before the AGM, the Company will be allowed to issue a maximum of 138,949,400 Shares. In addition, subject to a separate approval of the ordinary resolution numbered 6, the number of Shares bought back by the Company under ordinary resolution numbered 5 will also be added to the 20% general mandate as mentioned in the ordinary resolution numbered 4. The Directors wish to state that they have no immediate plans to issue any new Shares pursuant to such general mandate.

GENERAL MANDATE TO REPURCHASE SHARES

In addition, an ordinary resolution numbered 5 will be proposed at the AGM to approve the general mandate to the Directors to exercise the powers of the Company to repurchase Shares, representing up to 10% of the total number of Shares in issue as at the date of the passing of the resolution in relation to such general mandate. An explanatory statement required by the Listing Rules in connection with the Repurchase Mandate is set out in Appendix I to this circular. This explanatory statement contains all information reasonably necessary to enable the Shareholders to make an informed decision on whether to vote for or against the relevant resolution at the AGM.

EXPLANATORY STATEMENT

An explanatory statement containing all relevant information relating to the proposed Repurchase Mandate is set out in Appendix I to this circular. The explanatory statement is to provide you with information reasonably necessary to enable you to make an informed decision on whether to vote for or against the resolution to grant to the Directors the Repurchase Mandate at the AGM.

RE-ELECTION OF DIRECTORS

In accordance with Article 109(a) of the Articles of Association, at each annual general meeting one-third of the Directors for the time being, or, if their number is not three or a multiple of three, then the number nearest to but not less than one-third, shall retire from office by rotation, provided that every Director shall be subject to retirement by rotation at least once every three years. A retiring Director shall be eligible for re-election. Henceforth, Ms. Zhang Qiuchen, Mr. Chen Chen and Ms. Zhai Fang shall retire from office by rotation and, being eligible, offer themselves for re-election at the AGM.

LETTER FROM THE BOARD

In accordance with Article 113 of the Articles of Association, the Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director. Any Director appointed by the Board to fill a casual vacancy shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Henceforth, Ms. Liu Fan, who was appointed as a non-executive Director on April 19, 2022, will retire from office, being eligible, offer herself for re-election at the AGM.

Details of the above-mentioned Directors proposed to be re-elected at the AGM are set out in Appendix II to this circular.

PROCEDURE AND PROCESS FOR NOMINATION OF DIRECTORS

The Nomination Committee will recommend to the Board for the appointment of a Director including an independent non-executive Director in accordance with the following selection criteria and nomination procedures:

- (a) identify individuals who are suitably qualified to become Board members and select or make recommendations to the Board on the selection of individuals nominated for directorships, having due regard to the Company's Board diversity policy, the requirements in the Company's constitution, the Listing Rules and applicable laws and regulations, and the relevant candidates' contributions to the Board in terms of qualifications, skills, experiences, independence and gender diversity;
- (b) assess the independence of independent non-executive Directors to determine their eligibility with reference to the factors set out in Rule 3.13 of the Listing Rules and any other factors deemed appropriate by the Nomination Committee or the Board. If a proposed independent non-executive Director will be holding their seventh (or more) listed company directorship, to assess his/her ability to devote sufficient time to the Board matters; and
- (c) develop the criteria for identifying and assessing the qualifications of and evaluating candidates for directorship, including but not limited to evaluating the balance of skills, knowledge and experience on the Board, and in light of this evaluation prepare a description of the role and capabilities required for a particular appointment.

RECOMMENDATION OF THE NOMINATION COMMITTEE

The Nomination Committee has considered Ms. Zhang Qiuchen, Mr. Chen Chen, Ms. Zhai Fang and Ms. Liu Fan's extensive experience respectively, their working profiles and other experience and factors as set out in their biographical details in Appendix II to this circular. The Nomination Committee is satisfied that Ms. Zhang Qiuchen, Mr. Chen Chen, Ms. Zhai Fang and Ms. Liu Fan have the required character, integrity and experience to continuously fulfil their roles as executive Directors and non-executive Director, respectively and effectively. The Board believed that their re-elections as Directors would be in the best interests of the Company and its Shareholders as a whole.

LETTER FROM THE BOARD

At the AGM, the re-election of each of the retiring Directors will be voted by a separate ordinary resolution as set out in the notice of the AGM.

PROPOSED AMENDMENTS TO THE ARTICLES OF ASSOCIATION

Reference is made to the announcement of the Company dated March 25, 2022. The Board proposes to (i) make the Proposed Amendments to the Memorandum and Articles of Association, for the purpose of, among others, conforming to the core shareholder protection standards as set out in the amended Appendix 3 to the Listing Rules; and (ii) adopt the Seventh Amended and Restated Memorandum and Articles of Association incorporating and consolidating the Proposed Amendments.

Details of the Proposed Amendments are set out in Appendix III to this circular.

The Company confirms that there is nothing unusual in the Proposed Amendments from the perspective of a Cayman Islands company listed on the Stock Exchange.

The Proposed Amendments as well as the adoption of the Seventh Amended and Restated Memorandum and Articles of Association are subject to the Shareholders' approval by way of special resolution at the Annual General Meeting.

CLOSURE OF REGISTER OF MEMBERS

For the purpose of determining the identity of the Shareholders entitled to attend and vote at the AGM, the register of members of the Company will be closed from Friday, June 3, 2022 to Thursday, June 9, 2022, both days inclusive. During such period, no transfer of Shares of the Company will be registered. In order to be eligible for attending the AGM, all completed transfer forms accompanied by the relevant share certificates must be lodged with the Company's share registrar in Hong Kong, Tricor Investor Services Limited, at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong, for registration not later than 4:30 p.m. on Thursday, June 2, 2022.

ANNUAL GENERAL MEETING

Set out on pages 29 to 34 of this circular is a notice convening the AGM to consider and, if appropriate, to approve, among others, the ordinary resolutions relating to the proposals for the granting of the Issuing Mandate and the Repurchase Mandate and the re-election of Directors, and the special resolution relating to the Proposed Amendments to the Memorandum and Articles of Association and adoption of the Seventh Amended and Restated Memorandum and Articles of Association.

A form of proxy for use at the AGM is enclosed herewith. Such form of proxy is also published on the websites of the Stock Exchange (www.hkexnews.hk) and the Company (www.strawbearentertainment.com), respectively. Whether or not you intend to attend the AGM, you are requested to complete the form of proxy and return it to the Company's branch share registrar and transfer office in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong as soon as possible and in any event not less than 48 hours before the time of the AGM or any adjournment thereof. Completion and return of the form of proxy shall not preclude you from attending and voting in person at the AGM or any adjournment thereof should you so wish.

LETTER FROM THE BOARD

VOTES TAKEN BY POLL

Pursuant to Rule 13.39(4) of the Listing Rules, any vote of Shareholders at a general meeting must be taken by poll except where the chairman of the general meeting, in good faith, decides to allow a resolution which relates purely to procedural or administrative matter to be voted by a show of hands. Accordingly, each of the resolutions put to vote at the AGM will be taken by way of poll.

On a poll, every Shareholder present in person or by proxy or in the case of a Shareholder being a corporation, by its duly authorised representative, shall have one vote for every fully paid Share of which he/she/it is the holder. A Shareholder entitled to more than one vote needs not use all his/her/its votes or cast all the votes he/she/it uses in the same way.

RESPONSIBILITY STATEMENT

This circular, for which the Directors collectively and individually accept full responsibility, includes particulars given in compliance with the Listing Rules for the purpose of giving information with regard to the Company. The Directors, having made all reasonable enquiries, confirm that to the best of their knowledge and belief the information contained in this circular is accurate and complete in all material respects and not misleading or deceptive, and there are no other matters the omission of which would make any statement herein or this circular misleading.

RECOMMENDATION

The Board considers that the ordinary resolutions in relation to the granting of the Issuing Mandate and the Repurchase Mandate, the re-election of Directors and the Proposed Amendments to the Memorandum and Articles of Association and adoption of the Seventh Amended and Restated Memorandum and Articles of Association to be proposed at the AGM are in the best interests of the Company and its Shareholders as a whole. Accordingly, the Board recommends the Shareholders to vote in favour of such resolutions at the AGM.

Yours faithfully,
By order of the Board
Strawbear Entertainment Group
Mr. LIU Xiaofeng
Chairman

This appendix serves as an explanatory statement, as required by the Listing Rules, to provide the Shareholders with all the information reasonably necessary to enable them to make an informed decision on whether to vote for or against the ordinary resolution to approve the Repurchase Mandate.

1. LISTING RULES RELATING TO THE REPURCHASE OF SHARES

The Listing Rules permit companies whose primary listing is on the Stock Exchange to repurchase their shares on the Stock Exchange and any other stock exchange on which the securities of the company are listed and such exchange is recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange subject to certain restrictions. Among such restrictions, the Listing Rules provide that the shares of such company must be fully paid up and all repurchase of shares by such company must be approved in advance by an ordinary resolution of Shareholders, either by way of a general repurchase mandate or by specific approval of a particular transaction.

2. SHARE CAPITAL

As at the Latest Practicable Date, the issued share capital of the Company comprised 694,747,000 Shares. Subject to the passing of the ordinary resolution for repurchase of Shares and on the basis of that no further new Shares will be issued or repurchased up to the AGM, the Company would be allowed under the Repurchase Mandate to repurchase a maximum of 69,474,700 Shares, representing 10% of the existing issued Shares as at the Latest Practicable Date, during the period ending on the earliest of (i) the conclusion of the next annual general meeting of the Company; or (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held by any applicable laws or the Articles of Association; or (iii) the date on which such authority is varied or revoked by an ordinary resolution of the Shareholders at a general meeting.

3. REASONS FOR REPURCHASES

The Directors believe that the Repurchase Mandate is in the best interests of the Company and its Shareholders as a whole. Such repurchases may, depending on market conditions and funding arrangements at the time, lead to an enhancement of the net assets per Share of the Company and/or its earnings per Share and will only be made when the Directors believe that such a repurchase will benefit the Company and the Shareholders.

4. FUNDING OF REPURCHASE OF SHARES

Any repurchase of securities of the Company would be funded entirely from the cash flow or working capital facilities available to the Company, and will, in any event be made out of funds legally available for the purpose in accordance with the Articles of Association and the applicable laws of the Cayman Islands and the Listing Rules. Such funds include, but are not limited to, profits available for distribution. Purchases may only be effected out of the profits of the Company or out of the proceeds of a fresh issue of Shares made for the purpose, or, if so authorized by its Articles of Association and subject to the provisions of the Companies Law, out of capital. Any premium payable on a purchase over the par value of the Shares to be purchased must be provided for out of profits of the Company or out of the Company's share premium account, or, if so authorized by the Articles of Association and subject to the provisions of the Companies Law, out of capital.

5. GENERAL

There might be a material adverse impact on the working capital or gearing position as compared with the position disclosed in the audited financial statements of the Company for the year ended December 31, 2021 in the event that the Repurchase Mandate were to be carried out in full at any time during the proposed repurchase period.

However, the Directors do not propose to exercise the Repurchase Mandate to such extent as would, in the circumstances, have a material adverse effect on the working capital requirements of the Company or the gearing levels which in the opinion of the Directors are from time to time appropriate for the Company.

None of the Directors nor, to the best of their knowledge having made all reasonable enquiries, their close associates (as defined in the Listing Rules), have any present intention to sell any Shares to the Company under the Repurchase Mandate if the same is approved by the Shareholders.

The Directors have undertaken to the Stock Exchange that, so far as the same may be applicable, they will exercise the Repurchase Mandate pursuant to the proposed resolution in accordance with the Listing Rules, the Articles of Association and the applicable laws of Cayman Islands.

No core connected person (as defined in the Listing Rules) of the Company has notified the Company that he/she/it has a present intention to sell Shares to the Company, or has undertaken not to do so, in the event that the Repurchase Mandate is approved by the Shareholders.

6. SHARE PRICES

The highest and lowest prices at which the Shares have traded on the Stock Exchange in each of the previous twelve months immediately prior to the Latest Practicable Date were as follows:

	Shares	
	Highest HK\$	Lowest HK\$
2021		
April	15.10	12.00
May	13.64	9.50
June	10.46	6.23
July	7.30	6.11
August	6.39	4.58
September	4.65	2.34
October	2.55	2.29
November	2.57	2.30
December	6.50	2.18
2022		
January	5.97	5.20
February	5.23	4.61
March	4.95	3.50
April (up to the Latest Practicable Date)	4.15	3.61

7. THE TAKEOVERS CODE AND MINIMUM PUBLIC HOLDING

If on exercise of the powers of repurchase pursuant to the Repurchase Mandate, a Shareholder's proportionate interest in the voting rights of the Company increases, such increase will be treated as an acquisition for the purposes of Rule 32 of the Takeovers Code. As a result, a Shareholder or group of Shareholders acting in concert, could obtain or consolidate control of the Company and become obliged to make a mandatory offer in accordance with Rule 26 of the Takeovers Code.

As at the Latest Practicable Date, Mr. Liu Xiaofeng ("**Mr. Liu**") held 290,480,000 Shares, representing approximately 41.81% of the shareholding of the Company through Leading Glory which 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.

Pursuant to the Voting Arrangement Agreements, Mr. Liu, Master Sagittarius and Leading Glory are able to exercise voting rights of 109,520,000 Shares, representing

approximately 15.76% of the shareholding of the Company entrusted from the other signing parties and are therefore deemed to be interested in the shareholding interest in the Company held by the other signing parties by virtue of the SFO.

Accordingly, Mr. Liu is deemed to hold an aggregate of 400,000,000 Shares, representing approximately 57.57% of the shareholding of the Company.

In the event that the Directors exercised the Repurchase Mandate in full, the aforementioned shareholding of Mr. Liu in aggregate will be increased to approximately 63.97% of the total number of Shares in issue. To the best knowledge and belief of the Directors, such increase would not give rise to an obligation to make a mandatory offer in accordance with Rule 26 of the Takeovers Code. The Directors have no present intention to exercise the Repurchase Mandate to such an extent that, under the circumstances, there would be insufficient public float as prescribed under the Listing Rules.

8. SHARE PURCHASE MADE BY THE COMPANY

The Company has not purchased any of the Shares (whether on the Stock Exchange or otherwise) during the six months prior to the Latest Practicable Date.

The following set out the details of the Directors who will retire from office by rotation and, being eligible, will offer themselves for re-election at the AGM pursuant to Articles 109(a) and 113 of the Articles of Association.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors has any interests in the Shares within the meaning of Part XV of the Securities and Future Ordinance.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors holds any directorships in other listed public companies in Hong Kong or overseas in the last three years.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors holds any other positions with the Group.

Save as disclosed herein and as at the Latest Practicable Date, none of the following Directors has any relationship with any other Directors, senior management, substantial or controlling Shareholders.

Save as disclosed herein, there is no other matter that needs to be brought to the attention of the Shareholders and there is no information relating to the following Directors which is required to be disclosed pursuant to any of the requirements of Rule 13.51(2)(h) to (v) of the Listing Rules.

(1) Ms. Zhang Qiuchen, executive Director

Ms. Zhang Qiuchen (張秋晨), aged 44, is an executive Director and the chief marketing officer of the Company. Ms. Zhang joined the Group in October 2014 and is primarily responsible for sales and distribution of TV/web series and publicity and branding of the Group.

Ms. Zhang has approximately 20 years of experience in sales, marketing and distribution of TV series in the PRC. She has distributed more than 20 drama series with over 1,000 episodes since 2000 and is regarded as one of the best individual distributors in the industry. Since October 2014, she has been the chief marketing officer and deputy director of distribution of Jiangsu Strawbear where she is primarily responsible for sales and distribution of TV series and taking charge of certain work studio for development, production and sales of web series. Prior to joining the Group, Ms. Zhang served as the general manager of Nanjing Tongqiu Films and TV Culture Communication Co., Ltd. (南京同秋影視文化傳播有限公司) and was responsible for sales and distribution of TV series from April 2011 to October 2014. Before that, from November 1997 to March 2011 she held various positions at Suzhou Funa Culture and Technology Co., Ltd. (蘇州福納文化科技股份有限公司), a professional media company specialized in the production and distribution of films and TV series. Ms. Zhang obtained a bachelor's degree in administrative management from Nanjing University (南京大學) in July 2012 through online education.

The Company has entered into a service contract with Ms. Zhang for an initial term of three years commencing from the Listing Date or until the third annual general meeting of the Company after the Listing Date, whichever ends earlier subject to retirement by rotation and re-election in accordance with the Articles of Association and the Listing Rules, until terminated in accordance with the terms and conditions of the service contract. Pursuant to the service contract, Ms. Zhang is entitled to a monthly remuneration of RMB30,000 and discretionary bonus as recommended by the remuneration committee of the Board and determined by the Board with reference to her role and responsibilities at the Company as well as the prevailing market conditions.

(2) Mr. Chen Chen, executive Director

Mr. Chen Chen (陳晨), aged 39, is an executive Director and the chief financial officer of the Company. Mr. Chen joined the Group in November 2014 and is primarily responsible for overseeing the financial operation and risk management and taking charge of departments of accounting, administration and government affairs of the Group.

Mr. Chen has more than 10 years of experience in financial management. Since November 2014, he has been the chief financial officer of Jiangsu Strawbear where he has accumulated knowledge and skills required in overseeing the financial management of the Group. Prior to joining the Group, Mr. Chen served as the head of financial department of Phoenix Legend Films Co., Ltd. (鳳凰傳奇影業有限公司) from September 2012 to July 2014 responsible for its accounting and financial management. From July 2009 to September 2012, he served as an accountant in the financial department of Nanjing Branch of Jiangsu Broadcasting Cable Information Network Corporation Limited (江蘇省廣電有線信息網絡股份有限公司南京分公司). Mr. Chen started his career at PricewaterhouseCoopers Zhong Tian LLP (普華永道中天會計師事務所) where he was trained as an auditor from August 2007 to June 2009.

Mr. Chen obtained a bachelor's degree in financial management from Nanjing University (南京大學) in June 2004, and a master's degree in accounting from Shanghai University of Finance and Economics (上海財經大學) in January 2007. Mr. Chen was accredited as an accountant (會計師) by Nanjing Professional Title (Professional Qualification) Leading Group (南京市職稱(職業資格)工作領導小組) in March 2011 and was recognized and cultivated as one of The First Class of Nanjing High-level Accounting Talents (南京市首期高層次會計人才) by Nanjing Municipal Bureau of Finance (南京市財政局) and Beijing National Accounting Institute (北京國家會計學院) in November 2013. Mr. Chen also recognised as one of Distinguished Young Talents (青年創新人才) of Jiangsu radio, television, and network audio-visual industry(江蘇省廣播電視和網路視聽行業) of Year 2020. Mr. Chen is also a member of Jiangsu Provincial Television Artists Association (江蘇省電視藝術家協會) and Nanjing Film and television artists association (南京市電影電視動漫藝術家協會).

The Company has entered into a service contract with Mr. Chen for an initial term of three years commencing from the Listing Date or until the third annual general meeting of the Company after the Listing Date, whichever ends earlier subject to retirement by rotation and re-election in accordance with the Articles of Association and the Listing Rules, until terminated in accordance with the terms and conditions of the service contract. Pursuant to the service contract, Mr. Chen is entitled to a monthly remuneration of RMB80,000 and discretionary bonus as recommended by the remuneration committee of the Board and determined by the Board with reference to his role and responsibilities at the Company as well as the prevailing market conditions.

(3) Ms. Zhai Fang, executive Director

Ms. Zhai Fang (翟芳), aged 44, is an executive Director, the chief operating officer and a joint company secretary of the Company. Ms. Zhai joined the Group in March 2017 and is primarily responsible for assisting in the daily operation and management and taking charge of the capital operation including investment and financing of the Group.

Ms. Zhai has more than 10 years of experience in equity investment and management. Since March 2017, she has been the chief operating officer of Jiangsu Strawbear and is responsible for capital operation including investment and financing. Prior to joining the Group, Ms. Zhai served as the vice president of strategic investment of China Allied Shengshi Culture (Beijing) Co., Ltd. (中聯盛世文化(北京)有限公司), a subsidiary of Alibaba Pictures Group Limited (阿里巴巴影業集團有限公司) (Stock Code: 1060.HK and S91.SGX), from January 2016 to December 2016 responsible for its strategic investment and financing. In April 2012, she joined Shanghai Fosun Capital Investment Management Co., Ltd. (上海復星創富投資管理有限公司), a leading investment firm under Fosun International Limited (復星國際有限公司) (Stock Code: 0656.HK), responsible for equity investment in consumer and entertainment sectors as assistant president and was appointed as executive general manager in April 2013. Before that, she was engaged in management work at Ping An Asset Management Co., Ltd. (平安資產管理有限責任公司) from September 2009 to April 2012.

Ms. Zhai obtained a master's degree in financial development from Shanghai Academy of Social Sciences (上海社會科學院) in June 2008, and an executive master of business administration's degree conferred jointly by Columbia University, London Business School and The University of Hong Kong in 2017.

The Company has entered into a service contract with Ms. Zhai for an initial term of three years commencing from the Listing Date or until the third annual general meeting of the Company after the Listing Date, whichever ends earlier subject to retirement by rotation and re-election in accordance with the Articles of Association and the Listing Rules, until terminated in accordance with the terms and conditions of the service contract. Pursuant to the service contract, Ms. Zhai is entitled to a monthly remuneration of RMB80,000 and discretionary bonus as recommended by the remuneration committee of the Board and determined by the Board with reference to her role and responsibilities at the Company as well as the prevailing market conditions.

(4) Ms. Liu Fan, non-executive Director

Ms. Liu Fan (劉帆), aged 35, is a non-executive Director. Ms. Liu joined the Group in April 2022 and is primarily responsible for providing strategic advice and making recommendations on financial management and business development to the Board.

Ms. Liu joined the Group in April 2022 and has been one of the Directors since then. Ms. Liu has extensive experience in investment banking and secondary market investment and research and had held various high-level positions in well-known listed companies, investment banks and asset management institutions. Ms. Liu joined iQIYI, Inc. (Stock Code: IQ.NASDAQ) in October 2020 as the head of development strategy and investment department, primarily responsible for the strategic planning and investment and financing of iQIYI. Prior to that, she served as a vice president at Neuberger Berman from April 2018 to March 2020, primarily responsible for the investment research of China's Internet and education industry. From July 2011 to March 2018, Ms. Liu worked at The Goldman Sachs Group, Inc. with her last position being the executive director of global investment research department, primarily responsible for the investment research of China's Internet and education industry. Ms. Liu obtained a bachelor's degree in electronic commerce from Beijing Normal University (北京師範大學) in July 2009 and a master's degree in enterprise management from Peking University (北京大學) in July 2011. Ms. Liu has been as a chartered financial analyst by the Chartered Financial Analyst Institute since July 2015.

Pursuant to the letter of appointment entered into between the Company and Ms. Liu, her initial term of office is three years commencing from April 19, 2022 or until the third annual general meeting of the Company since the date of her appointment, whichever is sooner, and unless terminated by not less than one month's prior notice in writing served by either party to the other. Ms. Liu will hold office until the first annual general meeting of the Company after her appointment and is eligible for re-election at such meeting, and she will be subject to retirement by rotation and re-election in accordance with the Articles of Association and the Listing Rules. According to the terms of Ms. Liu's letter of appointment, she will not receive any director's fees, as recommended by the remuneration committee of the Board and determined by the Board.

Details of the Proposed Amendments are set out as follows:

Currently in force		Proposed to be amended as	
No.	Memorandum of Association	No.	Memorandum of Association
5	The Company shall have the power, subject to the provisions of the Cayman Islands Companies Act and with the approval of a <u>special resolution</u> , to transfer and be registered by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside of the Cayman Islands and to be de-registered in the Cayman Islands.	5	The Company shall have the power, subject to the provisions of the Cayman Islands Companies Act and with the approval of a <u>Special Resolution</u> , to transfer and be registered by way of continuation as a body corporate limited by shares under the laws of any jurisdiction outside of the Cayman Islands and to be de-registered in the Cayman Islands.
–	–	10	The financial year end of the Company is 31 December or such other date as the Directors may from time to time decide and annex to this Memorandum.
No.	Articles of Association	No.	Articles of Association
1(d)	At all times during the Relevant Period a resolution shall be a Special Resolution when it has been passed by a majority of not less than <u>three-quarters of the votes cast</u> by such Shareholders as, being entitled so to do, vote in person or by proxy or, in the case of any Shareholder being a corporation, by its duly authorised representatives at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.	1(d)	At all times during the Relevant Period a resolution shall be a Special Resolution when it has been passed by a majority of not less than <u>three-fourths of the voting rights held</u> by such Shareholders as, being entitled so to do, vote in person or by proxy or, in the case of any Shareholder being a corporation, by its duly authorised representatives at a general meeting of which notice specifying the intention to propose the resolution as a special resolution has been duly given.

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
5(a)	<p>If at any time the share capital of the Company is divided into different classes of Shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the Shares of that class) may, subject to the provisions of the Companies Act, be varied or abrogated <u>either with the consent in writing of the holders of not less than three-quarters in nominal value of the issued Shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the Shares of that class.</u> To every such separate general meeting the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply, provided that:</p> <p>(i) the necessary quorum <u>(other than at an adjourned meeting)</u> shall be not less than two persons holding (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or representing by proxy one-third in nominal value of the issued Shares of that class. <u>In the event of any adjourned meeting as a result of a lack of quorum, two Shareholders present in person (or in the case of the Shareholders being a corporation, by its duly authorised representative) or by proxy (whatever number of Shares held by them) shall be a quorum;</u> and</p> <p>(ii) any holder of Shares of the class present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy may demand a poll.</p>	5(a)	<p>If at any time the share capital of the Company is divided into different classes of Shares, all or any of the special rights attached to any class (unless otherwise provided for by the terms of issue of the Shares of that class) may, subject to the provisions of the Companies Act, be varied or abrogated <u>with the sanction of a Special Resolution passed at a separate general meeting of the holders of the Shares of that class.</u> To every such separate general meeting the provisions of these Articles relating to general meetings shall <i>mutatis mutandis</i> apply, provided that:</p> <p>(i) the necessary quorum shall be not less than two persons holding (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or representing by proxy one-third in nominal value of the issued Shares of that class; and</p> <p>(ii) any holder of Shares of the class present in person (or in the case of the Shareholder being a corporation, by its duly authorised representative) or by proxy may demand a poll.</p>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
17(c)	During the Relevant Period (except when the Register is closed), any Shareholder may inspect during business hours any Register maintained in Hong Kong without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Companies Ordinance.	17(c)	During the Relevant Period (except when the Register is closed <u>in accordance with the Companies Ordinance</u>), any Shareholder may inspect during business hours any Register maintained in Hong Kong without charge and require the provision to him of copies or extracts thereof in all respects as if the Company were incorporated under and were subject to the Companies Ordinance.
62	At all times during the Relevant Period <u>other than the year of the Company's adoption of these Articles</u> , the Company shall in each year hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it; <u>and not more than 15 Months (or such longer period as may be authorised by the HK Stock Exchange) shall elapse between the date of one annual general meeting of the Company and that of the next.</u> The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.	62	At all times during the Relevant Period, the Company shall in each <u>financial year</u> hold a general meeting as its annual general meeting in addition to any other meeting in that year and shall specify the meeting as such in the notice calling it, <u>and such annual general meeting shall be held within six months after the end of the Company's financial year.</u> The annual general meeting shall be held in the Relevant Territory or elsewhere as may be determined by the Board and at such time and place as the Board shall appoint. A meeting of the Shareholders or any class thereof may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and instantaneously, and participation in such a meeting shall constitute presence at such meetings.

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
64	<p>The Board may, whenever it thinks fit, convene an extraordinary general meeting. <u>Extraordinary general meetings shall also be convened on the requisition of one or more Shareholders holding, as at the date of deposit of the requisition, not less than one-tenth of the paid up capital of the Company having the right of voting at general meetings.</u> Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two Months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.</p>	64	<p>The Board may, whenever it thinks fit, convene an extraordinary general meeting. <u>One or more members holding, as at the date of deposit of the requisition, in aggregate not less than one-tenth of the voting rights (on a one vote per share basis) in the share capital of the Company may also make a requisition to convene an extraordinary general meeting and add resolutions to the agenda of a meeting.</u> Such requisition shall be made in writing to the Board or the Secretary for the purpose of requiring an extraordinary general meeting to be called by the Board for the transaction of any business specified in such requisition. Such meeting shall be held within two Months after the deposit of such requisition. If within 21 days of such deposit, the Board fails to proceed to convene such meeting, the requisitioner(s) himself (themselves) may do so in the same manner, and all reasonable expenses incurred by the requisitioner(s) as a result of the failure of the Board shall be reimbursed to the requisitioner(s) by the Company.</p>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
65	<p>An annual general meeting of the Company shall be called by at least 21 days' <u>(and not less than 20 clear business days')</u> notice in writing, and a general meeting of the Company, other than an annual general meeting, shall be called by at least 14 days' <u>(and not less than 10 clear business days')</u> notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day, the hour and the agenda of the meeting and particulars of the resolutions to be considered at that meeting and in case of special business (as defined in Article 67), the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:</p> <p>(a) in the case of a meeting called as the annual general meeting, by all the Shareholders entitled to attend and vote thereat; and</p> <p>(b) in the case of any other meeting, by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent of the total voting rights at the meeting of all members of the Company.</p>	65	<p>An annual general meeting of the Company shall be called by at least 21 days' notice in writing, and a general meeting of the Company, other than an annual general meeting, shall be called by at least 14 days' notice in writing. The notice shall be exclusive of the day on which it is served or deemed to be served and of the day for which it is given, and shall specify the place, the day, the hour and the agenda of the meeting and particulars of the resolutions to be considered at that meeting and in case of special business (as defined in Article 67), the general nature of that business, and shall be given, in manner hereinafter mentioned or in such other manner, if any, as may be prescribed by the Company in general meeting, to such persons as are, under these Articles, entitled to receive such notices from the Company, provided that a meeting of the Company shall notwithstanding that it is called by shorter notice than that specified in this Article be deemed to have been duly called if it is so agreed:</p> <p>(a) in the case of a meeting called as the annual general meeting, by all the Shareholders entitled to attend and vote thereat; and</p> <p>(b) in the case of any other meeting, by a majority in number of the Shareholders having a right to attend and vote at the meeting, being a majority together holding not less than 95 per cent of the total voting rights at the meeting of all members of the Company.</p>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
80	<p><u>Where the Company has knowledge that any Shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted. No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.</u></p>	80	<p><u>All Shareholders of the Company (including a Shareholder which is a Clearing House (or its nominee(s))) shall have the right to speak and vote at a general meeting except where a Shareholder is required, by the Listing Rules, to abstain from voting to approve the matter under consideration. Where the Company has knowledge that any Shareholder is, under the Listing Rules, required to abstain from voting on any particular resolution or restricted to voting only for or only against any particular resolution, any votes cast by or on behalf of such Shareholder in contravention of such requirement or restriction shall not be counted. No powers shall be taken to freeze or otherwise impair any of the rights attaching to any share by reason only that the person or persons who are interested directly or indirectly therein have failed to disclose their interests to the Company.</u></p>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
86	Any Shareholder entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Shareholder. On a poll or a show of hands votes may be given either personally (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy shall be entitled to exercise the same powers on behalf of a Shareholder who is an individual and for whom he acts as proxy as such Shareholder could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a Shareholder which is a corporation and for which he acts as proxy as such Shareholder could exercise if it were an individual Shareholder.	86	Any Shareholder entitled to attend and vote at a meeting of the Company shall be entitled to appoint another person as his proxy to attend and vote instead of him. <u>A corporation which is a Shareholder may execute a form of proxy under the hand of a duly authorised officer.</u> A Shareholder who is the holder of two or more Shares may appoint more than one proxy to represent him and vote on his behalf at a general meeting of the Company or at a class meeting. A proxy need not be a Shareholder. On a poll or a show of hands votes may be given either personally (or, in the case of a Shareholder being a corporation, by its duly authorised representative) or by proxy. A proxy shall be entitled to exercise the same powers on behalf of a Shareholder who is an individual and for whom he acts as proxy as such Shareholder could exercise. In addition, a proxy shall be entitled to exercise the same powers on behalf of a Shareholder which is a corporation and for which he acts as proxy as such Shareholder could exercise <u>as if it were an individual Shareholder present in person at any general meeting.</u>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
93(b)	Where a Shareholder is a Clearing House (or its nominee(s)), it may (subject to Article 94) authorise such person or persons as it thinks fit to act as its representative or representatives or at any meeting of any class of Shareholders, provided that if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such representative is so authorised. A person so authorised pursuant to the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House (or its nominee(s)) which he represents as that Clearing House (or its nominee(s)) could exercise as if such person were an individual Shareholder, including the right to vote individually on a show of hands.	93(b)	Where a Shareholder is a Clearing House (or its nominee(s)), it may (subject to Article 94) <u>appoint proxies or</u> authorise such person or persons as it thinks fit to act as its representative or representatives, <u>who enjoy rights equivalent to the rights of other Shareholders,</u> at any meeting of the Company <u>(including but not limited to general meetings and creditors meetings)</u> or at any meeting of any class of Shareholders, provided that if more than one person is so authorised, the authorisation shall specify the number and class of Shares in respect of which each such representative is so authorised. A person so authorised pursuant to the provisions of this Article shall be deemed to have been duly authorised without further evidence of the facts and be entitled to exercise the same rights and powers on behalf of the Clearing House (or its nominee(s)) which he represents as that Clearing House (or its nominee(s)) could exercise as if such person were an individual Shareholder, including the right to <u>speak and</u> vote individually on a show of hands <u>or on a poll.</u>
106(h)	A Director shall vacate his office: ... (h) if he shall be removed from the office by notice in writing served on him signed by not less than <u>three-quarters</u> in number (or if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.	106(h)	A Director shall vacate his office: ... (h) if he shall be removed from the office by notice in writing served on him signed by not less than <u>three-fourths</u> in number (or if that is not a round number, the nearest lower round number) of the Directors (including himself) then in office.

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
113	<p>The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director, provided that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy <u>shall hold office only until the first general meeting of the Company after his appointment and be subject to re-election at such meeting. Any Director appointed by the Board as an addition to the existing Board shall hold office only until the next following annual general meeting of the Company and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.</u></p>	113	<p>The Board shall have power from time to time and at any time to appoint any person as a Director either to fill a casual vacancy or as an additional Director, provided that the number of Directors so appointed shall not exceed the maximum number determined from time to time by the Shareholders in general meeting. Any Director appointed by the Board to fill a casual vacancy <u>or</u> as an addition to the existing Board shall hold office only until the <u>first</u> annual general meeting of the Company <u>after his appointment and shall then be eligible for re-election. Any Director appointed under this Article shall not be taken into account in determining the Directors or the number of Directors who are to retire by rotation at an annual general meeting.</u></p>

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
114	No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director signed by a Shareholder and notice in writing signed by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office. <u>The period for lodgement of the notices required under this Article will commence no earlier than the day after the despatch of the notice of the general meeting appointed for such election and end no later than seven days prior to the date of such general meeting and the minimum length of the period during which such notices to the Company may be given will be at least seven days.</u>	114	No person, other than a retiring Director, shall, unless recommended by the Board for election, be eligible for election to the office of Director at any general meeting, unless notice in writing of the intention to propose that person for election as a Director signed by a Shareholder and notice in writing signed by that person of his willingness to be elected shall have been lodged at the Head Office or at the Registration Office. <u>The Company shall include the particulars of such proposed person for election as a Director in its announcement or supplementary circular, and shall give the Shareholders at least seven days to consider the relevant information disclosed in such announcement or supplementary circular prior to the date of the meeting of the election.</u>
115	The <u>Company</u> may by Ordinary Resolution remove any Director (including a managing director or other executive director) before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may by Ordinary Resolution elect another person in his stead. Any Director so appointed shall be subject to retirement by rotation pursuant to Article 109.	115	The <u>Shareholders</u> may by Ordinary Resolution remove any Director (including a managing director or other executive director) before the expiration of his term of office notwithstanding anything in these Articles or in any agreement between the Company and such Director (but without prejudice to any claim which such Director may have for damages for any breach of any contract between him and the Company) and may by Ordinary Resolution elect another person in his stead. Any Director so appointed shall be subject to retirement by rotation pursuant to Article 109.

Currently in force		Proposed to be amended as	
No.	Articles of Association	No.	Articles of Association
177	<p>(a) The <u>Company</u> shall at each annual general meeting appoint one or more firms of auditors to hold office until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues the surviving or continuing Auditors (if any) may act. The remuneration of the Auditors shall be fixed by or on the authority of the <u>Company in the annual general meeting</u> except that in any particular year the <u>Company in general meeting may</u> delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Board.</p> <p>(b) The Shareholders may, at any general meeting convened and held in accordance with these Articles, remove the Auditors by <u>Special Resolution</u> at any time before the expiration of the term of office and shall, by Ordinary Resolution, at that meeting appoint new auditors in its place for the remainder of the term.</p>	177	<p>(a) The <u>Shareholders</u> shall at each annual general meeting appoint one or more firms of auditors to hold office <u>by Ordinary Resolution</u> until the conclusion of the next annual general meeting on such terms and with such duties as may be agreed with the Board, but if an appointment is not made, the Auditors in office shall continue in office until a successor is appointed. A Director, officer or employee of any such Director, officer or employee shall not be appointed Auditors of the Company. The Board may fill any casual vacancy in the office of Auditors, but while any such vacancy continues, the surviving or continuing Auditors (if any) may act. The remuneration of the Auditors shall be fixed by or on the authority of the <u>Shareholders in general meeting by Ordinary Resolution</u> except that in any particular year the <u>Shareholders in general meeting may by Ordinary Resolution</u> delegate the fixing of such remuneration to the Board and the remuneration of any Auditors appointed to fill any casual vacancy may be fixed by the Board.</p> <p>(b) The Shareholders may, at any general meeting convened and held in accordance with these Articles, remove the Auditors by <u>Ordinary Resolution</u> at any time before the expiration of the term of office and shall, by Ordinary Resolution, at that meeting appoint new auditors in its place for the remainder of the term.</p>

Note: The Seventh Amended and Restated Memorandum and Articles of Association is prepared in English with no official Chinese version. Chinese translation is for reference only. In the event of any inconsistency, the English version shall prevail.

NOTICE OF ANNUAL GENERAL MEETING



Strawbear Entertainment Group 稻草熊娱乐集团

(Incorporated in the Cayman Islands with limited liability)

(Stock Code: 2125)

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT the annual general meeting (the “AGM”) of Strawbear Entertainment Group (the “Company”) will be held at Building A2, SHANG 8 Design and Creative Industry Park, Chaoyang District, Beijing, China on Thursday, June 9, 2022 at 10:00 a.m. to consider and, if thought fit, transact the following businesses:

ORDINARY RESOLUTIONS

1. To approve the audited consolidated financial statements of the Company and the reports of the directors of the Company (the “**Directors**”) and auditor of the Company for the year ended December 31, 2021.
2.
 - (i) To re-elect Ms. Zhang Qiuchen as executive Director.
 - (ii) To re-elect Mr. Chen Chen as executive Director.
 - (iii) To re-elect Ms. Zhai Fang as executive Director.
 - (iv) To re-elect Ms. Liu Fan as non-executive Director.
 - (v) To authorize the board (the “**Board**”) of Directors to fix the remuneration of the Directors.
3. To re-appoint Ernst & Young as auditor of the Company and to authorize the Board to fix its remuneration.

NOTICE OF ANNUAL GENERAL MEETING

4. To consider and, if thought fit, pass the following resolutions as ordinary resolutions with or without amendments:

“THAT:

- (a) subject to the following provisions of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to allot, issue and deal with additional shares of US\$0.000025 each in the share capital of the Company (the “Shares”), and to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers, subject to and in accordance with all applicable laws, be and is hereby generally and unconditionally approved;
- (b) the approval in paragraph (a) of this resolution shall authorize the Directors during the Relevant Period to make or grant offers, agreements and options (including warrants, bonds and debentures convertible into Shares) which would or might require the exercise of such powers after the end of the Relevant Period;
- (c) the aggregate number of Shares allotted or agreed conditionally or unconditionally to be allotted (whether pursuant to an option or otherwise) and issued by the Directors pursuant to the approval in paragraph (a) of this resolution, otherwise than pursuant to (i) a Rights Issue (as hereinafter defined); (ii) the exercise of the conversion rights attaching to any convertible securities issued by the Company; (iii) the exercise of warrants to subscribe for Shares; (iv) the exercise of options granted under any share option scheme or similar arrangement for the time being adopted by the Company; or (v) an issue of Shares in lieu of the whole or part of a dividend on Shares in accordance with the articles of association of the Company; shall not exceed 20% of the total number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (d) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under any applicable laws or the articles of association of the Company; or
 - (iii) the date on which such mandate is varied or revoked by an ordinary resolution of the shareholders of the Company at a general meeting.

“**Rights Issue**” means an offer of Shares open for a period fixed by the Directors to the holders of Shares or any class of Shares whose names appear on the registers of members of the Company on a fixed record date in proportion to their then holdings of such Shares as at that date (subject to such exclusions or other arrangements as the Directors may deem necessary or expedient in relation to fractional entitlements or having regard to any restrictions or obligations under the laws of, or the requirements of any recognized regulatory body or any stock exchange in, any territory applicable to the Company).”

5. “**THAT:**

- (a) subject to paragraph (b) of this resolution, the exercise by the Directors during the Relevant Period (as hereinafter defined) of all the powers of the Company to repurchase the Shares on The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) or any other stock exchange on which Shares may be listed and recognized by the Securities and Futures Commission of Hong Kong and the Stock Exchange for this purpose, subject to and in accordance with all applicable laws and the requirements of the Rules Governing the Listing of Securities on the Stock Exchange or those of any other recognized stock exchange as amended from time to time, be and is hereby generally and unconditionally approved;
- (b) the aggregate number of Shares to be repurchased by the Company pursuant to the approval in paragraph (a) of this resolution shall not exceed 10% of the total number of Shares in issue as at the date of the passing of this resolution, and the said approval shall be limited accordingly; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) for the purpose of this resolution, “**Relevant Period**” means the period from the passing of this resolution until whichever is the earliest of:
 - (i) the conclusion of the next annual general meeting of the Company; or
 - (ii) the expiration of the period within which the next annual general meeting of the Company is required to be held under any applicable laws or the articles of association of the Company; or
 - (iii) the date on which such mandate is varied or revoked by an ordinary resolution of the shareholders of the Company at a general meeting.”
- 6. “**THAT** conditional upon resolutions numbered 4 and 5 above being passed, the unconditional general mandate granted to the Directors to allot, issue and deal with additional Shares and to make or grant offers, agreements, and options which might require the exercise of such powers pursuant to resolution numbered 4 above be and is hereby extended by the additional thereto of an amount representing the aggregate number of Shares repurchased by the Company under the authority granted pursuant to resolution numbered 5 above, provided that such amount shall not exceed 10% of the total number of Shares in issue as at the date of passing the resolution.”

SPECIAL RESOLUTION

- 7. “**THAT:**
 - (a) the proposed amendments to the existing amended and restated memorandum and articles of association of the Company (the “**Proposed Amendments**”) be and are hereby approved;
 - (b) the seventh amended and restated memorandum of association and articles of association of the Company (the “**Seventh Amended and Restated Memorandum and Articles of Association**”), which contains all the Proposed Amendments and a copy of which has been produced to this meeting and marked “A” and initialled by the chairman of the meeting, be and is hereby approved and adopted in substitution for and to the exclusion of the existing amended and restated memorandum of association and articles of association of the Company with immediate effect; and

NOTICE OF ANNUAL GENERAL MEETING

- (c) any Director or company secretary of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents and make all such arrangements that he/she shall, in his/her absolute discretion, deem necessary or expedient to give effect to the Proposed Amendments and the adoption of the Seventh Amended and Restated Memorandum and Articles of Association, including without limitation, attending to the necessary filings with the Companies Registry in Hong Kong and the Cayman Islands.”

Yours faithfully,
By order of the Board
Strawbear Entertainment Group
Mr. LIU Xiaofeng
Chairman

Nanjing, China, April 28, 2022

Notes:

1. For the purpose of determining the identity of the shareholders of the Company entitled to attend and vote at the AGM, the register of members of the Company will be closed from Friday, June 3, 2022 to Thursday, June 9, 2022, both dates inclusive, during which period no transfer of Shares will be registered. All transfers accompanied by the relevant certificates must be lodged with the Company's branch share registrar in Hong Kong, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong for registration not later than 4:30 p.m. on Thursday, June 2, 2022.
2. A member of the Company entitled to attend and vote at the AGM is entitled to appoint one or, if he/she/it is the holder of two or more Shares, more proxies to attend and vote instead of him/her/it. A proxy need not be a member of the Company.
3. Where there are joint registered holders of any Share, any one of such persons may vote at any meeting, either personally or by proxy, in respect of such Share as if he/she were solely entitled thereto; but if more than one of such joint holders be present at any meeting personally or by proxy, that one of the said persons so present whose name stands first on the register of members of the Company in respect of such Share shall alone be entitled to vote in respect thereof.
4. In order to be valid, the form of proxy must be in writing under the hand of the appointor or of his attorney duly authorized in writing, or if the appointor is a corporation, either under seal, or under the hand of an officer or attorney or other person duly authorized, and must be deposited with the Hong Kong branch share registrar and transfer office of the Company, Tricor Investor Services Limited at Level 54, Hopewell Centre, 183 Queen's Road East, Hong Kong (together with the power of attorney or other authority, if any, under which it is signed or a certified copy thereof) not less than 48 hours before the time fixed for holding of the AGM or any adjournment thereof. The completion and return of the form of proxy shall not preclude shareholders of the Company from attending and voting in person at the AGM (or any adjourned meeting thereof) if they so wish.
5. With respect to resolution numbered 2 of this notice, Ms. Zhang Qiuchen, Mr. Chen Chen, and Ms. Zhai Fang as executive Directors and Ms. Liu Fan as non-executive Director shall retire from office of directorship and shall offer themselves for re-election in accordance with the articles of association of the Company. Details of their information which are required to be disclosed under the Listing Rules are set out in Appendix II to the circular of the Company dated April 28, 2022.
6. To safeguard the health and safety of the shareholders of the Company, the Company will implement the following precautionary measures at the AGM to prevent the spreading of the COVID-19:

NOTICE OF ANNUAL GENERAL MEETING

- (i) Compulsory body temperature checks will be conducted for every attendee at the entrance of the AGM venue. Any person with a body temperature of over 37.4 degrees Celsius may be denied entry into the AGM venue and be requested to leave the AGM venue;
- (ii) Every attendee will be required to wear surgical facial mask throughout the AGM and maintain a safe distance between seats. Please note that no masks will be provided at the AGM venue and attendees should wear their own masks; and
- (iii) The Company will not provide refreshments and will not distribute corporate gifts.

In light of the continuing risks posed by the COVID-19, the Company encourages the shareholders of the Company to consider appointing the chairman of the AGM as their proxy to vote on the relevant resolutions at the AGM as an alternative to attending the AGM in person.

As at the date of this notice, the board of directors of the Company comprises Mr. Liu Xiaofeng, Ms. Zhang Qiuchen, Mr. Chen Chen and Ms. Zhai Fang as executive Directors; Mr. Wang Xiaohui and Ms. Liu Fan as non-executive Directors; and Mr. Ma Zhongjun, Mr. Zhang Senquan and Mr. Chung Chong Sun as independent non-executive Directors.