

DESCRIPTION OF THE SECURITIES

We are a Cayman Islands exempted company with limited liability (company number AY-386088) and our affairs are governed by the Memorandum and Articles of Association, the Cayman Companies Act and the common law of the Cayman Islands. The following description summarizes certain terms of our securities, and is subject to the terms set out more particularly in the Memorandum and Articles of Association, the Warrant Instruments and the Promoter Agreement, as well as to the Cayman Companies Act, the common law of the Cayman Islands and the Listing Rules. Appendix III contains a non-exhaustive summary of certain provisions of the Memorandum and Articles of Association and Cayman Islands law that are relevant to an investment in the [REDACTED].

SHARE CAPITAL

Pursuant to our Memorandum and Articles of Association, we are authorized to issue [1,000,000,000] Class A Shares and [100,000,000] Class B Shares.

The following is a description of the authorized and issued share capital of the Company as of the date of this document and immediately following the completion of the [REDACTED] and the [REDACTED]:

1. Share capital as of the date of this document

(i) Authorized share capital

Number	Description	Nominal Value HK\$
[1,000,000,000]	Class A ordinary shares of a par value of HK\$0.0001 each	[100,000]
[100,000,000]	Class B ordinary shares of a par value of HK\$0.0001 each	[10,000]
<u>[1,100,000,000]</u>	Total	<u>[110,000]</u>

(ii) Issued fully paid or credited as fully paid

Number	Description	Nominal Value HK\$
0	Class A ordinary shares of a par value of HK\$0.0001 each	0
[100]	Class B ordinary shares of a par value of HK\$0.0001 each	[0.01]
<u>[100]</u>	Total	<u>[0.01]</u>

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2. Share capital immediately following the completion of the [REDACTED]

(i) *Authorized share capital*

Number	Description	Nominal Value HK\$
[1,000,000,000]	Class A ordinary shares of a par value of HK\$0.0001 each	[100,000]
[100,000,000]	Class B ordinary shares of a par value of HK\$0.0001 each	[10,000]
<u>[1,100,000,000]</u>	Total	<u>[110,000]</u>

(ii) *Issued or to be issued fully paid or credited as fully paid*

Number	Description	Nominal Value HK\$
[REDACTED]	Class A ordinary shares of a par value of HK\$0.0001 each issued pursuant to the [REDACTED]	[REDACTED]
[REDACTED]	Class B ordinary shares of a par value of HK\$0.0001 each in issue	[REDACTED]
[REDACTED]	Class B ordinary shares of a par value of HK\$0.0001 each issued pursuant to the [REDACTED]	[REDACTED]
<u>[REDACTED]</u>	Total	<u>[REDACTED]</u>

General Mandate Granted to the Board of Directors

Subject to the [REDACTED] becoming unconditional, a general mandate has been granted to the Board of Directors to repurchase Shares. For details of such general mandate, see “Appendix V — General Information — Further Information about the Company” in this document.

Assumptions

The above information on share capital (a) assumes that the [REDACTED] becomes unconditional and (b) does not take into account any Shares (i) which may be issued pursuant to the exercise of any of the Warrants and (ii) which may be repurchased by the Company pursuant to the general mandate granted to the Board of Directors to repurchase Shares as described above.

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Warrants

As of the date of this document, there are no warrants issued over the Shares. Immediately following the completion of the [REDACTED], [REDACTED] Warrants constituted by the [REDACTED] Warrant Instrument executed by the Company on [●], 2022 and [REDACTED] Promoter Warrants constituted by the Promoter Warrant Instrument executed by the Company on [●], 2022 will be in issue.

[REDACTED]

We are [REDACTED] (i) [REDACTED] Class A Shares at a price of HK\$[REDACTED] per Share and (ii) [REDACTED] Warrants to purchasers of the Class A Shares, with [REDACTED] Warrant issued for [REDACTED] Class A Shares to be [REDACTED]. From the [REDACTED], the Class A Shares and the [REDACTED] Warrants will [REDACTED] separately on the Stock Exchange, under the [REDACTED] [REDACTED] and the [REDACTED] [REDACTED], respectively. The Class A Shares will [REDACTED] in minimum [REDACTED] of [REDACTED] Shares and the [REDACTED] Warrants will [REDACTED] in minimum [REDACTED] of [REDACTED] Warrants. The [REDACTED] from the [REDACTED] of HK\$[REDACTED] will be deposited in the Escrow Account, as discussed under “— Escrow Account” below.

Pursuant to the [REDACTED] Warrant Instrument, each [REDACTED] Warrant is exercisable for one Class A Share at a price of HK\$[REDACTED] per Share, such exercise to be conducted only on a cashless basis, each in the manner described below. Holders may exercise their [REDACTED] Warrants only with a fair market value cap at HK\$[REDACTED] per Share (the “**FMV Cap**”).

DESCRIPTION OF THE ORDINARY SHARES

General

The Class A Shares are Class A ordinary shares in the share capital of the Company and will rank *pari passu* in all respects with all the Class A ordinary shares in issue or to be issued in the share capital of the Company as mentioned in this document, and will qualify and rank equally for all dividends and other distributions declared, made or paid by the Company on the Class A ordinary shares following the completion of the [REDACTED].

The Class B Shares are Class B ordinary shares in the share capital of the Company and will rank *pari passu* in all respects with all the Class B ordinary shares in issue or to be issued in the share capital of the Company as mentioned in this document, and will qualify and rank equally for all dividends and other distributions declared, made or paid by the Company on the Class B ordinary shares following the completion of the [REDACTED].

[REDACTED]

Pursuant to the resolutions of our Shareholders passed on May 28, 2022, our Directors are authorized to capitalize an amount of HK\$[REDACTED] standing to the credit of the share premium account of our Company by applying such sum towards the paying up in full at par a total of [REDACTED] Shares for allotment and issue to Class B Shareholders whose names appear on the

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register of members of our Company on the date of passing such resolutions, in proportion (as near as possible without involving fractions so that no fraction of a share shall be allotted and issued) to their then existing respective shareholding in our Company.

Ordinary Shares outstanding on the [REDACTED]

As of the date of this document, there were [100] Class B Shares issued and outstanding, all of which were beneficially owned by the Promoters. On the [REDACTED], [REDACTED] Shares will be issued and outstanding, comprising [REDACTED] Class A Shares issued as part of the [REDACTED], and [REDACTED] Class B Shares held by the Promoters, so that the Promoters will own [REDACTED] of our [REDACTED] and outstanding Shares immediately after the completion of the [REDACTED].

Shareholder voting

Subject to the applicable provisions of the Memorandum and Articles of Association and the Listing Rules, ordinary shareholders of record are entitled to one vote for each Share held on all matters to be voted on by the Shareholders. Class A Shareholders and Class B Shareholders will vote together as a single class on all matters submitted to a vote of the Shareholders except as required by the Memorandum and Articles of Association. Unless otherwise specified in the Memorandum and Articles of Association, or as required by the applicable provisions of the Cayman Companies Act or the Listing Rules, the affirmative vote of Shareholders holding a majority of the Shares which, being so entitled, are voted thereon in person or by proxy at a quorate general meeting of the Company or, where not prohibited by the Listing Rules, a unanimous written resolution of all of our Shareholders entitled to vote at a general meeting of the Company is required to approve any such matter voted on by the Shareholders. Approval of certain actions will require a special resolution under Cayman Islands law, the Memorandum and Articles of Association and the Listing Rules, which requires: (i) where such matter is not a Special Consent Matter, the affirmative vote of Shareholders holding a majority of not less than two-thirds of the Shares which, being so entitled, are voted thereon in person or by proxy at a quorate general meeting of the Company or, where not prohibited by the Listing Rules, a unanimous written resolution of all of our Shareholders entitled to vote at a general meeting of the Company; and (ii) where such matter is a Special Consent Matter, the affirmative vote of Shareholders holding a majority of not less than three-fourths of the Shares which, being so entitled, are voted thereon in person or by proxy at a quorate general meeting of the Company or, where not prohibited by the Listing Rules, a unanimous written resolution of all of our Shareholders entitled to vote at a general meeting of the Company; pursuant to the Memorandum and Articles of Association actions which require a two-thirds vote include, amongst others, approving a statutory merger or consolidation with another company pursuant to the Cayman Companies Act, whilst actions which require a three-fourths vote include, amongst others, amending the Memorandum and Articles of Association.

Appointment and Removal of Directors

Prior to the completion of the De-SPAC Transaction, the Class B Shareholders will have the right by ordinary resolution to appoint any person to be a Director and all Shareholders will have the right by ordinary resolution to remove any Director. Following the completion of the De-SPAC Transaction, all Shareholders will have the right by ordinary resolution to appoint and remove any Director.

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Increase in authorized capital

Because the Memorandum and Articles of Association authorize the issuance of up to [1,000,000,000] Class A Shares, if we were to enter into a De-SPAC Transaction, we may (depending on the terms of the De-SPAC Transaction) be required to increase the number of Class A Shares which we are authorized to issue at the same time as the Shareholders vote on the De-SPAC Transaction.

Annual general meeting

In accordance with the Listing Rules and the Memorandum and Articles of Association, we are required to lay before our Shareholders our annual financial statements at an annual general meeting within the period of six months after the end of our first financial year. There is no requirement under the Cayman Companies Act for us to hold annual or extraordinary general meetings or appoint Directors. Depending on the completion of the De-SPAC Transaction, we may not hold an annual general meeting of Shareholders to appoint new Directors prior to its completion.

Shareholder approval of the De-SPAC Transaction

We will complete the De-SPAC Transaction only if we obtain the approval of an ordinary resolution under Cayman Islands law, which requires the affirmative vote of Shareholders holding a majority of the Class A Shares which, being so entitled, are voted thereon in person or by proxy at a quorate general meeting of the Company. In accordance with the Memorandum and Articles of Association and the Listing Rules, at least 21 clear days' notice is required to be given of annual general meetings, at least 14 clear days' notice is required to be given of other general meetings, and Shareholders representing at least 10% of our issued and outstanding ordinary shares, present in person or by proxy, will constitute a quorum.

As required by the Listing Rules, the Promoters have agreed, pursuant to the Promoter Agreement, to abstain from voting on the relevant resolution to approve the De-SPAC Transaction at the extraordinary general meeting to approve the De-SPAC Transaction. As a result, we would need Shareholders holding a majority of the Class A Shares which, being so entitled, are voted thereon in person or by proxy at the quorate general meeting of the Company to be voted in favor of the De-SPAC Transaction in order to have the De-SPAC Transaction approved by ordinary resolution. Shareholders' voting rights will not be affected in the event that they elect to redeem a portion of their Shares.

Shareholders are also required to approve, by ordinary resolution, the terms of the third party investment (not only independent third party investment) that is required by the Listing Rules in connection with the De-SPAC Transaction. The Promoters and their close associates are required to abstain from voting on the relevant resolution.

Redemption rights of Class A Shareholders

Prior to an extraordinary general meeting to (A) approve the De-SPAC Transaction, (B) modify our undertakings to announce a De-SPAC Transaction within 18 months of the [REDACTED] or complete the De-SPAC Transaction within 30 months of the [REDACTED], or (C) approve the continuation of the Company following a material change in the Promoters or Directors as provided for in the Listing Rules, we will provide the Class A Shareholders with the opportunity to redeem all or a portion of their Class A Shares at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the

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Escrow Account calculated as of two business days prior to the relevant extraordinary general meeting (including interest earned on the funds held in the Escrow Account and not previously released to us to pay our expenses or taxes), divided by the number of the then issued and outstanding Class A Shares, subject to the limitations and on the conditions described herein. The amount in the Escrow Account is initially anticipated to be HK\$[REDACTED], representing the [REDACTED] of [REDACTED] Class A Shares at a price of HK\$[REDACTED] per Class A Share. On this basis, the per-share price payable for the redemption of any Class A Share will not be less than HK\$[REDACTED].

When we provide the Class A Shareholders with the opportunity to redeem all or a portion of their Class A Shares prior to an extraordinary general meeting to approve any of the matters above, Class A Shareholders may elect to redeem their Class A Shares irrespective of whether they vote for or against any of the matters above. As required by the Listing Rules, the Promoters have agreed, pursuant to the Promoter Agreement, to waive their voting or redemption rights with respect to their Class B Shares in connection with the completion of the De-SPAC Transaction. If the De-SPAC Transaction is not completed for any reason, we will not redeem any Class A Shares, and all Class A Share redemption requests will be canceled.

Redemption of Class A Shares and liquidation of the Company if no De-SPAC Transaction

Pursuant to our undertakings as described in "Business — Business Strategy" and our Memorandum and Articles of Association, if (i) we are unable to announce a De-SPAC Transaction within 18 months of the [REDACTED] or complete a De-SPAC Transaction within 30 months of the [REDACTED] (or, if these time limits are extended pursuant a vote of the Class A Shareholders and in accordance with the Listing Rules and a De-SPAC Transaction is not announced or completed, as applicable, within such extended time limits), or (ii) if we fail to obtain the requisite approvals in respect of the continuation of the Company following a material change in the Promoters or Directors as provided for in the Listing Rules, we will (i) cease all operations except for the purpose of winding up, (ii) suspend the [REDACTED] of Class A Shares and the [REDACTED] Warrants, (iii) as promptly as reasonably possible but no more than one month after the date that [REDACTED] in the Class A Shares is suspended by the Stock Exchange, redeem the Class A Shares, at a per-share price, payable in cash, equal to the aggregate amount then on deposit in the Escrow Account (including interest earned on the funds held in the Escrow Account and not previously released to us to pay our expenses or taxes), divided by the number of then issued and outstanding Class A Shares on a pro rata basis at a per share price of no less than HK\$[REDACTED], which redemption will completely extinguish the rights of the Class A Shareholders as Shareholders (including the right to receive further liquidation distributions, if any), subject to applicable law, and (iv) as promptly as reasonably possible following such redemption, subject to the approval of our remaining Shareholders and the Board of Directors, liquidate and dissolve, subject in the case of clauses (iii) and (iv) to our obligations under Cayman Islands law to provide for claims of creditors and in all cases subject to the other requirements of applicable law.

Pursuant to the Promoter Agreement, the Promoters have irrevocably agreed to waive their rights to liquidating distributions from the Escrow Account with respect to their Class B Shares in all circumstances.

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In the event of a liquidation or winding up of the Company after the De-SPAC Transaction and subject to the Promoter Agreement and Cayman Islands law, the Shareholders are entitled to share ratably in all assets remaining available for distribution to them after payment of liabilities and after provision is made for each class of shares, if any, having preference over the ordinary shares. The Shareholders have no pre-emptive or other subscription rights.

Class B Shares

The Class B Shares are held by the Promoters and are identical to the Class A Shares being sold in the [REDACTED], and Class B Shareholders have the same shareholder rights as Class A Shareholders, except that (i) prior to the De-SPAC Transaction, only Class B Shareholders have the right to vote on the appointment of Directors by ordinary resolution; (ii) the Class B Shares are not traded on the Stock Exchange and the Promoters must remain as the beneficial owners of the Class B Shares for the lifetime of the Class B Shares unless (a) they are surrendered to the Company in the circumstances contemplated by the Listing Rules, or (b) a waiver is obtained from the Stock Exchange and approval is obtained from the Shareholders, with the Promoters and their close associates abstaining from voting, and (iii) the Promoters [have entered] into the Promoter Agreement, pursuant to which they have agreed:

- (a) as required by the Listing Rules, abstain from voting on the relevant resolution to (A) approve the De-SPAC Transaction; (B) modify our undertakings to announce a De-SPAC Transaction within 18 months of the [REDACTED] or complete the De-SPAC Transaction within 30 months of the [REDACTED]; or (C) approve the continuation of the Company following a material change in the Promoters or Directors as provided for in the Listing Rules;
- (b) irrevocably waive their rights to liquidating distributions from the Escrow Account with respect to their Class B Shares in all circumstances; and
- (c) to indemnify the Company for any shortfall in funds held in the Escrow Account if and to the extent that any claims by a third party for services rendered or products sold to our Company, or a De-SPAC Target with which our Company has entered into an agreement for a De-SPAC Transaction, reduces the amount of funds held in the Escrow Account to below the amount required to be paid back to Class A Shareholders (being the Class A Share [REDACTED]) in all circumstances, provided that such indemnification will not apply to any claims by a third party or prospective De-SPAC Target that has agreed to waive its rights to the monies held in the Escrow Account.

The Class B Shares are convertible into an aggregate of [REDACTED] Class A Shares concurrently with or following the completion of the De-SPAC Transaction on a one-for-one basis, subject to adjustment as provided under “— Anti-dilution Adjustments” below.

Promoter Lock-up

Under the Listing Rules, the Promoters cannot dispose of, or enter into any agreement to dispose of or otherwise create any options, rights, interests or encumbrances in respect of, any securities of the Company they beneficially own after the completion of the De-SPAC Transaction (including any securities of the Company beneficially owned by the Promoters as a result of the issue, conversion or

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exercise of the Class B Shares or the Promoter Warrants) until 12 months after the completion of the De-SPAC Transaction (the “**Promoter Lock-up**”). The Promoters also cannot exercise any of the Promoter Warrants they hold within 12 months after the completion of the De-SPAC Transaction.

DESCRIPTION OF THE WARRANTS

General

The [REDACTED] Warrants will be issued in certificated form under the [REDACTED] Warrant Instrument and be either (a) deposited in CCASS, or (b) held by the relevant [REDACTED] Warrant Holder outside of CCASS, and the Promoter Warrants will be issued in certificated form under the Promoter Warrant Instrument. The Warrant Instruments, which will be posted on the Stock Exchange’s website, contain a detailed description of the terms and conditions applicable to the Warrants.

[REDACTED] Warrants

Each [REDACTED] Warrant is exercisable for one Class A Share at an exercise price of HK\$[REDACTED] per Class A Share, subject to adjustment as set out below, at any time commencing 30 days after the completion of the De-SPAC Transaction. Pursuant to the [REDACTED] Warrant Instrument, only whole warrants may be exercised, no fractional [REDACTED] Warrants will be issued and only whole [REDACTED] Warrants will [REDACTED] in [REDACTED] of [REDACTED] Warrants. The [REDACTED] Warrant Holders do not have the rights or privileges of Shareholders and any shareholder voting rights until they exercise their [REDACTED] Warrants and receive Class A Shares. After the [REDACTED] of Class A Shares upon exercise of the [REDACTED] Warrants, each holder will be entitled to one vote for each Class A Share held of record on all matters to be voted on by the Shareholders.

We will not be obligated to issue any Class A Shares pursuant to the exercise of a [REDACTED] Warrant and will have no obligation to settle such warrant exercise unless the Class A Shares underlying the [REDACTED] Warrants have been authorized for [REDACTED] and approved for [REDACTED] by the Stock Exchange. In connection with the listing application for the De-SPAC Transaction, we expect to apply for [REDACTED] approval for the Class A Shares [REDACTED] upon exercise of the [REDACTED] Warrants.

No [REDACTED] Warrants will be exercisable and we will not be obligated to issue Class A Shares upon the exercise of [REDACTED] Warrants unless the Class A Shares issuable upon such warrant exercise have been registered, qualified or deemed to be exempt under the securities laws of the jurisdiction of residence or domicile of the registered holder (or, if such laws require, the beneficial holder) of the [REDACTED] Warrant. We do not intend to register the Class A Shares, including those issuable upon the exercise of [REDACTED] Warrants, with the U.S. Securities and Exchange Commission or qualify them for issuance in any other jurisdiction outside Hong Kong. The jurisdictions in which [REDACTED] Warrant Holders are resident or domiciled may have securities laws that restrict such holders’ ability to receive Class A Shares upon the exercise of the [REDACTED] Warrants. Accordingly, [REDACTED] Warrant Holders who are resident or domiciled outside Hong Kong may not be able to exercise their [REDACTED] Warrants if they are prevented by applicable securities laws from receiving Class A Shares consequent to such exercise. In such an event, they will have to sell their [REDACTED] Warrants on the Stock Exchange. [REDACTED] Warrant Holders should seek advice from their professional advisers before exercising their [REDACTED] Warrants.

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Conditions to the Exercise of the [REDACTED] Warrants

The [REDACTED] Warrants:

- will become exercisable 30 days after the completion of the De-SPAC Transaction;
- are only exercisable when the average reported closing price of the Class A Shares for the ten trading days immediately prior to the date on which the notice of exercise is received by the Hong Kong Share Registrar is at least HK\$[REDACTED] per Class A Share with a FMV Cap; and
- are only exercisable on a cashless basis, as described below.

The [REDACTED] Warrants are exercisable at a price of HK\$[REDACTED] per Class A Share (the “**Warrant Exercise Price**”). Exercising the [REDACTED] Warrants on a cashless basis requires that at the time of exercise of the [REDACTED] Warrants, holders must surrender their [REDACTED] Warrants for that number of Class A Shares equal to the quotient obtained by dividing (x) the product of the number of Class A Shares underlying the [REDACTED] Warrants, multiplied by the excess of the “fair market value” of the Class A Shares (defined below) over the Warrant Exercise Price by (y) the fair market value.

The “fair market value” will mean the average reported closing price of the Class A Shares for the ten trading days immediately prior to the date on which the notice of exercise is received by the Hong Kong Share Registrar; provided, however, that if the fair market value is HK\$[REDACTED] or higher the fair market value will be deemed to be HK\$[REDACTED].

No fractional Class A Shares will be issued upon exercise of the [REDACTED] Warrants. If, upon exercise, a holder would be entitled to receive a fractional interest in a Class A Share, we will round down to the nearest whole number of the number of Class A Shares to be issued to the holder. The following example illustrates the cashless exercise mechanism:

Number of Class A Shares underlying the [REDACTED] Warrants: [REDACTED]

Fair Market Value of Class A Share at Exercise (HK\$)	Calculation	Number of Class A Shares received
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]

In no event will a [REDACTED] Warrant be exercisable for more than [REDACTED] of a Class A Share per [REDACTED] Warrant, and in no event will we be required to net cash settle any [REDACTED] Warrant.

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The provisions above are subject to customary anti-dilution adjustments. See “— Anti-dilution Adjustments” below.

Redemption of Warrants When the Price Per Class A Share Equals or Exceeds HK\$[REDACTED]

Commencing from at least 12 months after the completion of the De-SPAC Transaction we may redeem the outstanding Warrants:

- in whole and not in part;
- at a price of no more than HK\$[REDACTED] per Warrant;
- upon a minimum of 30 days’ prior written notice of redemption (the “**30-day redemption period**”), which may be served upon the date of the 12-month anniversary of completion of the De-SPAC Transaction; and
- if, and only if, the last reported [REDACTED] price (the “**closing price**”) of the Class A Shares equals or exceeds HK\$[REDACTED] per Share (the “**Redemption Threshold**”) for any 20 [REDACTED] days within a consecutive 30-[REDACTED] day period ending on the third trading day immediately prior to the date on which we send the notice of redemption to the Warrant Holders.

During the 30-day redemption period, each Warrant Holder will be entitled to exercise its Warrants on a cashless basis by surrendering its Warrants for that number of Class A Shares resulting from the cashless exercise mechanism (as described above), but with “fair market value” determined based on the average reported closing price of the Class A Shares for the ten trading days immediately prior to the date on which the notice of redemption is provided, and subject to the FMV Cap. In no event will a Warrant be exercisable for more than [REDACTED] of a Class A Share per Warrant. By way of illustration, if the “fair market value” determined based on the average reported closing price of the Class A Shares for the ten trading days immediately prior to the date on which the notice of redemption is provided were equal to HK\$[REDACTED], the surrender of [REDACTED] Warrants would entitle the Warrant Holder to receive [REDACTED] Class A Shares. If the “fair market value” determined based on the average reported closing price of the Class A Shares for the ten trading days immediately prior to the date on which the notice of redemption is provided were equal to or exceeded HK\$[REDACTED], the surrender of [REDACTED] Warrants would entitle the Warrant Holder to receive a maximum of [REDACTED] Class A Shares.

After the “fair market value” is determined at the time when notice of redemption is served, the subsequent share price fluctuation of Class A Shares during the 30-day redemption period would not affect the number of Class A Shares entitled to the Warrant Holders if they elect to exercise their Warrants during that period.

In the event that the Redemption Threshold is met and the Warrant Holders do not exercise their Warrants during the 30-day redemption period, these [REDACTED] Warrants will be redeemed at a price of HK\$[REDACTED] per Warrant.

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We will issue an announcement setting out date of the notice of redemption and the related deadlines for [REDACTED] Warrant Holders to exercise their [REDACTED] Warrants on the website of the Stock Exchange at least one trading day prior to the date we send the notice of redemption to [REDACTED] Warrant Holders.

The provisions above are subject to customary anti-dilution adjustments. See “— Anti-dilution Adjustments” below.

Promoter Warrants

The Promoters have committed, pursuant to the Promoter Warrant Subscription Agreement, to purchase an aggregate of [REDACTED] Promoter Warrants at a price of HK\$[REDACTED] per Promoter Warrant, or HK\$[REDACTED] in the aggregate, in a private placement that will close simultaneously with the closing of the [REDACTED]. Proceeds from the sale of the Promoter Warrants will be held outside the Escrow Account.

The terms of the Promoter Warrants will be identical to those of the [REDACTED] Warrants, including with respect to the warrant exercise and redemption provisions, except that (i) the Promoter Warrants will not be listed and may not be transferred except in the very limited circumstances permitted by the Listing Rules and subject to compliance with the requirements thereof and (ii) the Promoter Warrants are not exercisable until 12 months after the completion of the De-SPAC Transaction.

Under the Listing Rules, the number of Shares to be issued upon exercise of all outstanding Warrants (including the [REDACTED] Warrants and the Promoter Warrants) must not exceed 50% of the number of Shares in issue as of the [REDACTED].

The provisions above are subject to customary anti-dilution adjustments. See “— Anti-dilution Adjustments” below.

Expiry of the Warrants

The Warrants will expire at 5:00 p.m. (Hong Kong time) on the date falling five years after the completion of the De-SPAC Transaction or earlier upon redemption (in accordance with the mechanism set out above) or liquidation. No exercise of the Warrants will be permitted after they have expired on such date.

If we do not announce a De-SPAC Transaction within 18 months of the [REDACTED] or complete the De-SPAC Transaction within 30 months of the [REDACTED], the Warrants will expire worthless. If these time limits are extended pursuant to a Shareholder vote and in accordance with the Listing Rules and a De-SPAC Transaction is not announced or completed, as applicable, within such extended time limits, the Warrants will expire worthless.

Amendment of Warrant Terms

The Warrant Instruments provide that the terms of the Warrants may be amended (i) to cure any ambiguity or correct any mistake, including to conform the provisions of the Warrant Instruments to the description of the terms of the Warrants and Warrant Instruments set forth in this document, or defective

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provision, (ii) to amend the provisions relating to cash dividends on ordinary shares of the Company as contemplated by and in accordance with the Warrant Instruments, (iii) to make any amendments that are necessary in the good faith determination of the Board of Directors (taking into account then existing market precedents) to allow for the Warrants to be classified as equity in our financial statements, provided that such amendments shall not allow any modification or amendment to the Warrant Instruments that would increase the price of the Warrants or shorten the exercise period, or (iv) to add or change any provisions with respect to matters or questions arising under the Warrant Instruments as the Board may deem necessary or desirable and that the Board deems to not adversely affect the rights of the Warrant Holders in any material respect. All modifications or amendments shall (i) comply with the requirements under the Listing Rules, (ii) be subject to the vote or written consent of the holders of at least 50% of the then-outstanding [REDACTED] Warrants, provided that any amendment that solely affects the terms of the Promoter Warrants or any provision of the Warrant Instruments solely with respect to the Promoter Warrants will also require the vote or written consent of at least 50% of the then outstanding Promoter Warrants, and (iii) be subject to the approval of the Stock Exchange.

Governing Law, Jurisdiction

We have agreed that, subject to applicable law, any action, proceeding or claim against us arising out of or relating in any way to the Warrant Instruments will be brought and enforced in the courts of Hong Kong, and we irrevocably submit to such jurisdiction, which jurisdiction will be the exclusive forum for any such action, proceeding or claim. See “Risk Factors — The Warrant Instruments will designate the courts of Hong Kong as the sole and exclusive forum for certain types of actions and proceedings that may be initiated by Warrant Holders, which could limit the ability of Warrant Holders to obtain a favorable judicial forum for disputes with the Company.”

PROCEDURES FOR REDEEMING CLASS A SHARES AND EXERCISING WARRANTS

Class A Shares

Class A Shareholders seeking to exercise their redemption rights should submit a written request for redemption to the Hong Kong Share Registrar, in which the name registered in the register of members of the holder of such Shares and the number of Shares to be redeemed are included, and deliver their share certificates to the Hong Kong Share Registrar.

If such redemption rights are being exercised in connection with an extraordinary general meeting to (A) approve the De-SPAC Transaction, (B) modify our undertakings to announce a De-SPAC Transaction within 18 months of the [REDACTED] or complete the De-SPAC Transaction within 30 months of the [REDACTED], or (C) approve the continuation of the Company following a material change in the Promoters or Directors as provided for in the Listing Rules, the redemption request must be submitted between the date of the notice of the extraordinary general meeting for the relevant matter and the date and time of commencement of the relevant extraordinary general meeting. Under the Listing Rules, we are required to return funds in respect of the Class A Shares sought to be redeemed (i) in the case of an extraordinary general meeting to approve the De-SPAC Transaction, within five business days following the completion of the relevant De-SPAC Transaction, and (ii) in the situations contemplated by clauses (B) and (C) of this paragraph, within one month of the approval of the relevant shareholder resolution at the relevant extraordinary general meeting. With respect to clause (A) of this paragraph, in the event the De-SPAC Transaction is not completed for any reason, we will not redeem any Class A Shares, and all Class A Share redemption requests will be canceled.

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In the event of a redemption of the Class A Shares in the circumstances contemplated under “—Redemption of Class A Shares and liquidation of the Company if no De-SPAC Transaction” above, we will, as promptly as reasonably possible but no more than one month after the date that [REDACTED] in the Class A Shares is suspended by the Stock Exchange, return funds in respect of the redemption of the Class A Shares, which will be canceled.

Warrants

Each Warrant certificate will contain an exercise form. Holders seeking to exercise Warrants should complete and sign the exercise form, in which the name registered in the register of members of the holder of such Warrants and the number of Warrants to be exercised are included, and deliver their Warrant certificates to the Hong Kong Share Registrar. The number of Class A Shares that the Warrant Holder is entitled to will be calculated, and the Hong Kong Share Registrar will issue new share certificates with the relevant number of Class A Shares to the Warrant Holder.

The Company has undertaken to the Stock Exchange that it will not issue further Warrants following the [REDACTED] and prior to the completion of the De-SPAC Transaction.

ANTI-DILUTION ADJUSTMENTS

If, as a result of any sub-division or consolidation of Shares, the number of Class A Shares into which the Class B Shares are convertible will be adjusted in proportion to the increase or decrease, as applicable, and shall not result in the relevant Promoter being entitled to a higher proportion of Shares than it/he was originally entitled to as of the [REDACTED].

Whenever the number of Class A Shares purchasable upon the exercise of the Warrants is adjusted, as described above, the Warrant Exercise Price will be adjusted by multiplying the warrant exercise price immediately prior to such adjustment by a fraction (x) the numerator of which will be the number of Class A Shares purchasable upon the exercise of the Warrants immediately prior to such adjustment and (y) the denominator of which will be the number of Class A Shares so purchasable immediately thereafter. In such event, the FMV Cap and the Redemption Threshold shall also be adjusted accordingly. For the avoidance of doubt, the Warrants can only be exercised on a cashless basis notwithstanding any adjustment to the Warrant Exercise Price or the number of Class A Shares purchasable upon the exercise of the Warrants.

Adjustments for dilutive events not provided for above may be proposed by the Board, acting on a fair and reasonable basis and always subject to any requirements under the Listing Rules. Details of any adjustments will, following consultations with the Stock Exchange, be provided to Shareholders and the Warrant Holders through a Stock Exchange announcement.

DILUTION IMPACT ON CLASS A SHAREHOLDERS

[REDACTED]

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[REDACTED]

DESCRIPTION OF THE SECURITIES

[REDACTED]

DESCRIPTION OF THE SECURITIES

[REDACTED]

DESCRIPTION OF THE SECURITIES

[REDACTED]

DESCRIPTION OF THE SECURITIES

[REDACTED]

DESCRIPTION OF THE SECURITIES

[REDACTED]

ESCROW ACCOUNT

We expect to receive gross [REDACTED] of HK\$[REDACTED] from the [REDACTED], which will be deposited in the Escrow Account.

Except with respect to interest and other income earned on the funds held in the Escrow Account that may be released to us to pay our expenses and taxes, if any, the [REDACTED] from the [REDACTED] will not be released from the Escrow Account, except to:

- (i) complete the De-SPAC Transaction, in connection with which the funds held in the Escrow Account will be used to meet redemption requests of the Class A Shareholders (as described under “— Description of the Ordinary Shares — Redemption rights of Class A Shareholders” above), before being used to repay the Loan Facility or other expenses associated with completing the De-SPAC Transaction;
- (ii) meet the redemption requests of Class A Shareholders in connection with a Shareholder vote to modify our undertakings to announce a De-SPAC Transaction within 18 months of the [REDACTED] or complete the De-SPAC Transaction within 30 months of the [REDACTED] (or, if these time limits are extended pursuant to a vote of the Class A Shareholders and in accordance with the Listing Rules and a De-SPAC Transaction is not announced or completed, as applicable, within such extended time limits), or approve the continuation of the Company following a material change in the Promoters or Directors as provided for in the Listing Rules;
- (iii) return funds to Class A Shareholders upon the suspension of [REDACTED] of the Class A Shares and the [REDACTED] Warrants; or
- (iv) return funds to Class A Shareholders upon the liquidation or winding up of the Company.

In the event that the De-SPAC related expenses shall be incurred prior to the completion of a De-SPAC Transaction, such payment will be made from funds held outside the Escrow Account (i.e., the proceeds from the sale of the Class B Shares and the Promoter Warrants), from interest and other income earned on the funds held in the Escrow Account, or from loans drawn under the Loan Facility. Any interest, or income earned, on monies held in the Escrow Account may be used by the Company to settle any De-SPAC related expenses incurred prior to the De-SPAC Transaction, provided that the funds held in the Escrow Account are not reduced to below the amount necessary to meet redemption requests by Class A Shareholders.

To ensure the compliance with the continuing obligations on the Escrow Account under Rules 18B.16 to 18B.20 of the Listing Rules, we have implemented the following measures:

- (a) in connection with the [REDACTED], we have conditionally adopted the Articles of Association, which will become effective on the [REDACTED]. The Articles of Association provide that the Escrow Account shall be operated by a trustee or custodian authorized under the Listing Rules and established by the Company upon the consummation of its [REDACTED], and [REDACTED] of the gross [REDACTED] of its [REDACTED]

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(excluding the [REDACTED] raised from the [REDACTED] of Class B Shares and Promoter Warrants) will be deposited and held in the form of cash or cash equivalents. The Articles of Association further stipulate that the monies held in the Escrow Account shall only be released meet redemption requests of the Shareholders, the completion of the De-SPAC Transaction, return funds to Shareholders in accordance with Rule 18B.74 of the Listing Rules or upon the liquidation or winding up of the Company;

- (b) the Company [has entered] into a Trust Deed in compliance with and consistent with the requirements of Chapter 18B of the Listing Rules and HKEX Guidance Letter 113-22. The Trust Deed provides that, among others, the Escrow Account is domiciled in Hong Kong and operated by CCB (Asia) Trustee Company Limited, a trustee whose qualifications and obligations are consistent with the requirements of Chapter 4 of the Code on Unit Trusts and Mutual Funds. The monies held in the Escrow Account shall be held in form of cash or cash equivalents and must not be released to any person other than that permitted under Rule 18B.19 of the Listing Rules;
- (c) In accordance with paragraph 16 of HKEX Guidance Letter 114-22, the trustee [has undertaken] to the Stock Exchange to comply with Rules 18B.16 to 18B.20 of the Listing Rules;
- (d) the Directors owe fiduciary duties to us, including the duty to act in good faith and in our best interests, including supervising the operations of the management and operations of the monies held in the Escrow Account;
- (e) we have appointed four independent non-executive Directors, whom we believe possess sufficient experience to provide impartial and independent views to ensure the Company to comply with the applicable laws and the Listing Rules;
- (f) we have appointed Opus Capital Limited and Red Sun Capital Limited as our joint compliance advisors, which will provide advice and guidance to us in respect of compliance with the applicable laws and the Listing Rules including various requirements relating to the Escrow Account; and
- (g) we have designated a team of senior management responsible for business operation, legal, risk control and finance to supervise the continuing operations of the Escrow Account and ensure that the continuing compliance with the continuing obligations on the Escrow Account under Rules 18B.16 to 18B.20 of the Listing Rules. Our executive Directors, together with our senior management, will organize and run internal control tests regularly to evaluate the completeness and effectiveness of the internal control measures in relation to the operation of the Escrow Account.

The Promoters have agreed to indemnify our Company for any shortfall in funds held in the Escrow Account if and to the extent that any claims by a third party for services rendered or products sold to our Company, or a De-SPAC Target with which our Company has entered into an agreement for a De-SPAC Transaction, reduces the amount of funds held in the Escrow Account to below the amount required to be paid back to Class A Shareholders (being the Class A Share [REDACTED]) in all

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circumstances, provided that such indemnification will not apply to any claims by a third party or prospective De-SPAC Target that has agreed to waive its rights to the monies held in the Escrow Account.

DIVIDENDS

We have not paid any cash dividends on our ordinary shares to date and do not intend to pay cash dividends prior to the completion of a De-SPAC Transaction. The payment of cash dividends in the future will be dependent upon our revenues and earnings, if any, as well as our capital requirements and the general financial condition of the Successor Company subsequent to the completion of a De-SPAC Transaction. The payment of any cash dividends subsequent to a De-SPAC Transaction will be within the discretion of the Board of Directors at such time. Further, if we incur any indebtedness, our ability to declare dividends may be limited by restrictive covenants we may agree to in connection therewith.

ACCOUNTING FOR THE SHARES AND THE WARRANTS

The Class A Shares will be classified as financial liability and initially recognized at fair value minus such remaining expenses and subsequently amortized to profit or loss using the effective interest method. The [REDACTED] Warrants will be accounted for outside of shareholders' equity and included in our financial statements as a current liability measured at the estimated fair value of the total outstanding [REDACTED] Warrants. In addition, at each reporting period the fair value of the liability of the [REDACTED] Warrants will be remeasured and the change in the fair value of the liability will be recorded as other income (expense) in our income statement.

The Promoter Warrants and the conversion rights of the Class B Shares are classified as equity-settled share-based payments. The fair value of equity-settled share-based payments is measured at the grant date and not subsequently re-measured, and such fair value is recognized to profit or loss on a straight line basis over the vesting period with a corresponding increase in equity.

REGISTER OF MEMBERS

Under Cayman Islands law, we must keep a register of members and there will be entered therein:

- the names and addresses of the members, together with a statement of the shares held by each member, such statement shall confirm (i) the amount paid or agreed to be considered as paid, on the shares of each member, (ii) the number and category of shares held by each member, and (iii) whether each relevant category of shares held by a member carries voting rights under the articles of association of the company, and if so, whether such voting rights are conditional;
- the date on which the name of any person was entered on the register as a member; and
- the date on which any person ceased to be a member.

Under Cayman Islands law, the register of members of our company is prima facie evidence of the matters set out therein (i.e. the register of members will raise a presumption of fact on the matters referred to above unless rebutted) and a member registered in the register of members will be deemed as a matter of Cayman Islands law to have legal title to the shares as set against its name in the register of

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members. Upon the closing of the [REDACTED], the register of members will be immediately updated to reflect the issue of Shares by us. Once our register of members has been updated, the Shareholders recorded in the register of members will be deemed to have legal title to the Shares set against their name. However, there are certain limited circumstances where an application may be made to a Cayman Islands court for a determination on whether the register of members reflects the correct legal position. Further, the Cayman Islands court has the power to order that the register of members maintained by a company should be rectified where it considers that the register of members does not reflect the correct legal position. If an application for an order for rectification of the register of members were made in respect of the Shares, then the validity of such Shares may be subject to re-examination by a Cayman Islands court.

THE HONG KONG SHARE REGISTRAR

The Hong Kong Share Registrar will act as the registrar and transfer agent for the Shares and the Warrants. We have agreed to indemnify the Hong Kong Share Registrar in its roles as registrar and transfer agent, its agents and each of its shareholders, directors, officers and employees against all claims and losses that may arise out of acts performed or omitted for its activities in that capacity, except for any liability due to any gross negligence or intentional misconduct of the indemnified person or entity. The Hong Kong Share Registrar has agreed that it has no right of set-off or any right, title, interest or claim of any kind to, or to any monies in, the Escrow Account, and has irrevocably waived any right, title, interest or claim of any kind to, or to any monies in, the Escrow Account that it may have now or in the future. Accordingly, any indemnification provided will only be able to be satisfied, or a claim will only be able to be pursued, solely against us and our assets outside the Escrow Account and not against the any monies in the Escrow Account or interest earned thereon.