

DESCRIPTION OF THE SECURITIES

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 at the date of this document and immediately following the completion of the [REDACTED]:

1. Share capital as at the date of this document

(i) Authorized share capital

Number	Description	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
1,100,000,000	Total	110,000

(ii) Issued fully paid or credited as fully paid

Number	Description	HK\$
0	Class A ordinary shares of a par value of HK\$0.0001 each	0
25,000,000	Class B ordinary shares of a par value of HK\$0.0001 each	2,500
25,000,000	Total	2,500

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

(i) Authorized share capital

Number	Description	HK\$
[REDACTED]	Class A ordinary shares of a par value of HK\$0.0001 each	[REDACTED]
[REDACTED]	Class B ordinary shares of a par value of HK\$0.0001 each	[REDACTED]
[REDACTED]	Total	[REDACTED]

(ii) Issued fully paid or credited as fully paid

Number	Description	HK\$
[REDACTED]	Class A ordinary shares of a par value of HK\$0.0001 each	[REDACTED]
[REDACTED]	Class B ordinary shares of a par value of HK\$0.0001 each	[REDACTED]
[REDACTED]	Total	[REDACTED]

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Assumptions

The above information on share capital (a) assumes that the [REDACTED] becomes unconditional and (b) does not take into account any Shares which may be issued pursuant to the exercise of any of the Warrants.

Warrants

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

[REDACTED] SECURITIES

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

Each whole Listed Warrant is exercisable for one Class A Share at a price of HK\$[REDACTED] per Class A Share, such exercise to be conducted on a cashless basis and subject to adjustment, each in the manner described below. Pursuant to the Listed Warrant Instrument, holders may exercise their Listed Warrants only for a whole number of the Class A Shares. This means that only whole Listed Warrants may be exercised at any given time. No fractional Listed Warrants will be issued and only whole Listed Warrants will trade.

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].

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Ordinary Shares outstanding on the [REDACTED]

As at the date of this document, there were [REDACTED] Class B Shares issued and outstanding, all of which were held of record by the Promoters, so that the Promoters will own [REDACTED]% of our issued and outstanding Shares immediately after the completion of the [REDACTED]. 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.

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 and the Listing Rules. The Promoters are required to abstain from voting on certain matters as required by the Listing Rules. 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 the holders of a majority of the Shares that are voted is required to approve any such matter voted on by the Shareholders. Approval of certain actions, such as approving a statutory merger or consolidation with another company, or the continuation of the Company following a material change in the Promoters or the Directors referred to in Rule 18B.32 of the Listing Rules, will require a Special Resolution under Cayman Islands law, the Memorandum and Articles of Association and the Listing Rules. A Supermajority Resolution is required to approve (i) any amendment to the Memorandum and Articles of Association or (ii) the voluntary winding up of the Company.

Written shareholders' approval will not be accepted in lieu of holding a general meeting to approve (i) the continuation of our Company following a material change in the Promoters or the Directors under Rule 18B.32 of the Listing Rules, or (ii) the De-SPAC Transaction under Rule 18B.53 of the Listing Rules.

Appointment and removal of Directors

Prior to the completion of the De-SPAC Transaction, 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.

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 hold an annual general meeting for each financial year following our [REDACTED] on the Stock Exchange.

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Shareholder approval of the De-SPAC Transaction

A De-SPAC Transaction must be made conditional on the approval by the Shareholders at a general meeting. Written shareholders' approval will not be accepted in lieu of holding a general meeting. 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. Class A Shares in respect of which a redemption notice has been submitted may be voted at the general meeting.

As required by the Listing Rules, the Promoters and the Promoter HoldCos, have agreed, pursuant to the Promoter Agreement, to abstain from voting on the relevant resolution to approve the De-SPAC Transaction at the general meeting to approve the De-SPAC Transaction. As a result, we would need a majority of the Class A Shares voted in the general meeting to be voted in favor of the De-SPAC Transaction in order to have the De-SPAC Transaction approved by ordinary resolution.

Shareholders are also required to approve, by ordinary resolution, the terms of the third-party investment (including the independent third-party investment) that is required by the Listing Rules in connection with the De-SPAC Transaction. The Promoters and their close associates must abstain from voting on the resolution relating to the third-party investment.

Redemption rights of Class A Shareholders

Prior to a general meeting to (A) approve the De-SPAC Transaction, (B) modify the timing of our obligation to announce a De-SPAC Transaction within 24 months of the [REDACTED] or complete the De-SPAC Transaction within 36 months of the [REDACTED], or (C) approve the continuation of the Company following a material change in the Promoters or the Directors referred to in Rule 18B.32 of the Listing Rules, including (a) any of our Promoters who, alone or together with their close associates (including their respective Promoter HoldCos), controls or is entitled to control 50% or more of the Class B Shares in issue or a single largest promoter, (b) any Promoter which holds a Type 6 (advising on corporate finance) and/or a Type 9 (asset management) license issued by the SFC, (c) the eligibility and/or suitability of a Promoter referred to in (a) or (b) above, or (d) a Director who is licensed by the SFC to carry out Type 6 (advising on corporate finance) and/or Type 9 (asset management) regulated activities for an SFC licensed corporation, we will provide 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 Escrow Account calculated as of two business days prior to the relevant general meeting (including interest and other income earned on the funds held in the Escrow Account), 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 issuance 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]. All Class A Shares that have been redeemed in accordance with Rule 18B.59 of the Listing Rules will be canceled.

When we provide the holders of our Class A Shares with the opportunity to redeem all or a portion of their Class A Shares prior to a 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 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.

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Redemption rights for the Class A Shares and liquidation distributions if no De-SPAC Transaction

Pursuant to the Listing Rules and our Memorandum and Articles of Association, if (i) we are unable to announce a De-SPAC Transaction within 24 months of the [REDACTED] or complete a De-SPAC Transaction within 36 months of the [REDACTED] (or, if these time limits are extended pursuant a vote of 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 the 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 Listed 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 and other income earned on the funds held in the Escrow Account), divided by the number of then issued and outstanding Class A Shares on a *pro rata* basis (provided that the redemption price per Class A Share must not be less than HK\$[REDACTED]), which redemption will completely extinguish the rights of 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. In all circumstances, the per-share redemption amount received by Class A Shareholders will not be less than HK\$[REDACTED].

Pursuant to the Promoter Agreement, the Promoters have irrevocably agreed to waive their rights, title, interest or claims of any kind in or to any money in the Escrow Account in all circumstances, including their rights to liquidating distributions from the Escrow Account with respect to their Class B Shares.

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 preemptive or other subscription rights.

Entitlement to interest and other income in the Escrow Account

The redemption payments and liquidation distributions discussed in the preceding two sections will be at a price per Class A Share equal to the aggregate amount then on deposit in the Escrow Account, divided by the number of then issued and outstanding Class A Shares on a *pro rata* basis (provided that the redemption price per Class A Share must not be less than HK\$[REDACTED]). If, at the time the redemption payment or liquidation distribution is made, there is interest or other income in the Escrow Account, Class A Shareholders will be entitled to a *pro rata* share of such amounts. This would have the effect of increasing the per-share redemption payment or liquidation amount to an amount higher than HK\$[REDACTED].

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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 by ordinary resolution is obtained from the Shareholders at a general meeting, with the Promoters and their close associates abstaining from voting, and (iii) the Promoters and the Promoter HoldCos [have] entered into the Promoter Agreement, pursuant to which they have agreed to:

- (a) as required by the Listing Rules, abstain from voting on the ordinary resolution to (A) approve the De-SPAC Transaction; (B) modify the timing of our obligation to announce a De-SPAC Transaction within 24 months of the [REDACTED] or complete the De-SPAC Transaction within 36 months of the [REDACTED]; or (C) approve the continuation of the Company following a material change in the Promoters or the Directors; and
- (b) irrevocably waive their rights, title, interest or claims of any kind in or to any money in the Escrow Account in all circumstances, including their rights to liquidating distributions from the Escrow Account with respect to their Class B Shares; and
- (c) 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 the Company, or a De-SPAC Target with which the Company has entered into an agreement for a De-SPAC Transaction, reduce the amount of funds in the Escrow Account to below the minimum 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 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.

The Class B Shares are not transferable, unless (i) they are surrendered to the Company in the circumstances contemplated by the Listing Rules or the Memorandum and Articles of Association, or (ii) a waiver is obtained from the Stock Exchange and approval by ordinary resolution is obtained from the Shareholders at a general meeting, with the Promoters and their close associates abstaining from voting.

Promoters’ Earn-out Right

The Promoter Agreement provides that the Promoters are entitled to receive additional Class A Shares (the “**Earn-out Shares**”) after the completion of the De-SPAC Transaction, up to such number of additional Class A Shares that, when added to the number of ordinary shares that the Promoters hold (or are entitled to receive upon conversion of the Class B Shares) on the [REDACTED], will not exceed 30% of the total number of Shares in issue on the [REDACTED] (the “**Earn-out Right**”). The Earn-out Right will be triggered only if the volume weighted average price of the Class A Shares equals or exceeds HK\$[REDACTED] per Share for any 20 trading days within any 30-trading day period commencing six months after the completion of the De-SPAC Transaction (the “**Earn-out Exercise Price**”).

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The Earn-out Right is subject to approval by ordinary resolution at the general meeting of the Shareholders convened to approve the De-SPAC Transaction, and the Promoters and their close associates cannot vote on the relevant ordinary resolution regarding the Earn-out Right. The material terms of the Earn-out Right (which, depending on the terms proposed by the Company and approved by the Shareholders, may be different from the terms stated above) will be disclosed in the announcement and the document for the De-SPAC Transaction. If we fail to announce a De-SPAC Transaction within 24 months of the [REDACTED] or complete the De-SPAC Transaction within 36 months of the [REDACTED] (or, if these time limits are extended pursuant a Shareholder vote and in accordance with the Listing Rules and the Memorandum and Articles of Association, a De-SPAC Transaction is not announced or completed, as applicable, within such extended time limits), the Earn-out Right will be canceled and become void.

The Earn-out Right, including the number of additional Class A Shares to be issued pursuant to exercise of the Earn-out Right and the Earn-out Exercise Price, is subject to adjustment for sub-division or consolidation of the Shares, provided that it will not result in the Promoters being entitled to a higher proportion of Shares than it/he was originally entitled as of the [REDACTED].

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 Successor Company they beneficially own after the completion of the De-SPAC Transaction (including any securities of the Successor Company beneficially owned by the Promoters as a result of the issue, conversion or exercise of the Class B Shares, the Promoter Warrants or the Earn-out Right) 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 Listed Warrants will be issued in certificated form under the Listed Warrant Instrument and be either (a) deposited in [REDACTED], or (b) held by the relevant holder of the Listed Warrants outside of [REDACTED], and the Promoter Warrants will be issued in certificated form under the Promoter Warrant Agreement. 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.

Save for the issue of the Listed Warrants and the Promoter Warrants in connection with the [REDACTED], the Company has undertaken to the Stock Exchange that it will not issue any further Warrants following the [REDACTED] and prior to the completion of the De-SPAC Transaction.

Further details of the terms of the Listed Warrants are set out in “Appendix IV — Summary of the Terms of the Listed Warrants.”

Listed Warrants

Each Listed 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 Listed Warrant Instrument, only whole warrants may be exercised, no fractional Listed Warrants will be issued and only whole Listed Warrants will [REDACTED] in [REDACTED] of [REDACTED]. The holders of the Listed Warrants do not have the rights or privileges of holders of ordinary shares and any shareholder voting rights until they exercise their

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Listed Warrants and receive Class A Shares. After the issuance of Class A Shares upon exercise of the Listed 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. Until holders of Listed Warrants exercise their Listed Warrants and receive Class A Shares, they will not have any rights to participate in any [REDACTED] or [REDACTED] of further securities made by the Company.

We will not be obligated to issue any Class A Shares pursuant to the exercise of a Listed Warrant and will have no obligation to settle such warrant exercise unless the Class A Shares underlying the Listed Warrants have been authorized for issuance 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 issuable upon exercise of the Listed Warrants.

No Listed Warrants will be exercisable and we will not be obligated to issue Class A Shares upon the exercise of Listed 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 Listed Warrant. We do not intend to register the Class A Shares, including those issuable upon the exercise of Listed 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 holders of Listed Warrants are resident or domiciled may have securities laws that restrict such holders’ ability to receive Class A Shares upon the exercise of the Listed Warrants. Accordingly, holders of Listed Warrants who are resident or domiciled outside Hong Kong may not be able to exercise their Listed 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 Listed Warrants on the Stock Exchange. Holders of Listed Warrants should seek advice from their professional advisers before exercising their Listed Warrants.

Conditions to the exercise of the Listed Warrants

The Listed 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 10 trading days immediately prior to the date on which the duly completed and signed notice of exercise is received by the [REDACTED] is at least HK\$[REDACTED] per Class A Share; and
- are only exercisable on a cashless basis, as described below.

The Listed Warrants are exercisable at a price of HK\$[REDACTED] per Class A Share (the “**Warrant Exercise Price**”). Exercising the Listed Warrants on a cashless basis requires that at the time of exercise of the Listed Warrants, holders must surrender their Listed Warrants in exchange 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 Listed Warrants and 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 10 trading days immediately prior to the date on which the duly completed and signed notice of exercise is received by the [REDACTED]; provided, however, that if the fair market value is HK\$[REDACTED] or higher the fair market value will be deemed to be HK\$[REDACTED] (the “**FMV Cap**”).

No fractional Class A Shares will be issued upon exercise of the Listed 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.

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The following example illustrates the cashless exercise mechanism:

Listed Warrants held: [REDACTED]

Class A Shares underlying the Listed Warrants: [REDACTED]

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

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

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 HK\$[REDACTED] per Warrant;
- upon a minimum of 30 days’ prior written notice of redemption (the “**30-day redemption period**”); and
- if, and only if, the last reported sale price (the “**closing price**”) of the Class A Shares equals or exceeds HK\$[REDACTED] per Share (the “**Redemption Threshold**”) for any 20 trading days within a 30-trading day period ending on the third trading day immediately prior to the date on which we send the notice of redemption to the Warrantholders.

We will publish an announcement, setting out, among others, the date of the notice of redemption, the date for the redemption (the “**Redemption Date**”) and related deadline for the Warrantholders to exercise their Warrants, on the websites of the Stock Exchange and our Company at least one trading day prior to the date we send the notice of redemption to the Warrantholders.

During the 30-day redemption period, even if the price of the Class A Shares decreases to below HK\$[REDACTED] per Share, each Warrantholder will be entitled to exercise its Warrants on a cashless basis by surrendering its Listed Warrants in exchange for that number of Class A Shares equal to the product of the number of Class A Shares underlying its Warrants and [REDACTED]. By way of illustration, if a Warrantholder surrenders [REDACTED] Warrants during the 30-day redemption period, such Warrantholder will receive [REDACTED] Class A Shares.

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If the Warrants are not exercised during the 30-day redemption period, they will be redeemed at a price of HK\$[REDACTED] per Warrant. Relevant cheques for the redemption will be despatched within 30 days after the Redemption Date to the holders of any Warrants as registered in the register of Warrantholders so redeemed by ordinary mail and at their own risk. Any Warrant so redeemed shall be deemed to be cancelled and lapsed.

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, in proportion to their respective shareholdings in the Company, at a price of HK\$[REDACTED] per Promoter Warrant, or HK\$[REDACTED] in the aggregate, in a [REDACTED] that will close simultaneously with the completion of the [REDACTED]. The Promoters will fund the purchase of the Promoter Warrants in proportion to their respective shareholdings in the Company. [REDACTED] 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 Listed Warrants, including with respect to the Warrant Exercise Price and the warrant exercise provisions, except that the Promoter Warrants (i) will not be listed and (ii) are not exercisable until 12 months after the completion of the De-SPAC Transaction as required by the Listing Rules. Further, the Promoters will remain as the beneficial owners of the Promoter Warrants for the lifetime of the Promoter Warrants unless (i) they are surrendered to the Company in the circumstances contemplated by the Listing Rules, or (ii) a waiver is obtained from the Stock Exchange and approval by ordinary resolution is obtained from the Shareholders at a general meeting, with the Promoters and their close associates abstaining from voting.

Under the Listing Rules, the number of Shares to be issued upon exercise of all outstanding Warrants (including the Listed Warrants and the Promoter Warrants) must not exceed 50% of the number of Shares in issue as at 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 terms described 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 24 months of the [REDACTED] or complete the De-SPAC Transaction within 36 months of the [REDACTED], the Warrants will expire worthless. If these time limits are extended pursuant to an ordinary resolution of the Shareholders at a general meeting (with the Promoters and their close associates abstaining from voting) 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.

The Warrantholders shall not, in respect of their Listed Warrants, be entitled to the funds available in the Escrow Account. The Warrantholders shall not receive any amounts in respect of their unexercised Listed Warrants payable by the Company to redeem any Class A Shares and shall not receive any distribution in the event of a liquidation. All such Listed Warrants shall automatically expire without value upon a liquidation or winding up of the Company.

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Amendment of Warrant terms

The Warrant Instruments provide modification or amendments of the terms of the Warrants, in particular, modification or amendments of the terms of the Listed Warrants shall (1) comply with the requirements under applicable laws and regulations and the Listing Rules, (2) require the vote or written consent of the holders of at least 50% of the then-outstanding Listed Warrants, and (3) be subject to the approval of the Stock Exchange, provided that any amendment that solely affects the terms of the Promoter Warrants or any provision of the Listed Warrant Instrument 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. Modifications or amendments of the terms of the Promoter Warrants shall (1) comply with the requirements under applicable laws and regulations and the Listing Rules, (2) require unanimous consent of the parties to the Promoter Warrant Agreement, and (3) 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 — Risks Relating to the [REDACTED] Securities — 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 Warrantholders, which could limit the ability of Warrantholders to obtain a favorable judicial forum for the disputes with us.”

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 [REDACTED], 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 [REDACTED].

If such redemption rights are being exercised in connection with a general meeting to (A) approve the De-SPAC Transaction, (B) modify the timing of our obligation to announce a De-SPAC Transaction within 24 months of the [REDACTED] or complete the De-SPAC Transaction within 36 months of the [REDACTED], or (C) approve the continuation of the Company following a material change in the Promoters or the Directors as provided for in the Listing Rules, the redemption request must be submitted between the date of the notice of the general meeting for the relevant matter and the date and time of commencement of the relevant 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 a 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 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.

DESCRIPTION OF THE SECURITIES

In the event of a redemption of the Class A Shares in the circumstances contemplated under “ — Description of the Ordinary Shares — Redemption rights for the Class A Shares and liquidation distributions” 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 a notice of exercise. Holders seeking to exercise Warrants should complete and sign the notice of exercise, 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 [REDACTED]. The number of Class A Shares that the Warrantholder is entitled to will be calculated, and the [REDACTED] will issue new share certificates with the relevant number of Class A Shares to the Warrantholder.

ANTI-DILUTION ADJUSTMENTS

In the event of any sub-division or consolidation of Shares, the number of Class A Shares issuable on exercise of each Warrant or for which the Class B Shares are convertible into will be correspondingly adjusted in proportion to the increase or decrease, as applicable, and shall not result in the Promoters being entitled to a higher proportion of Shares than it/he was originally entitled to as of the [REDACTED].

The share price triggers for the exercise of the Warrants, the Warrant Exercise Price, the FMV Cap, the Redemption Threshold, the other redemption provisions described above, the Earn-out Exercise Price and the number of Earn-out Shares to be issued will also be adjusted proportionately for the events set out in the preceding paragraph.

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 holders of the Shares and the Warrants through a Stock Exchange announcement.

DILUTION IMPACT ON CLASS A SHAREHOLDERS

[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]

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.

The [REDACTED] from the [REDACTED] (including any interest and other income earned on the funds held in the Escrow Account) will not be released from the Escrow Account, except to:

- (1) complete the De-SPAC Transaction, in connection with which the funds held in the Escrow Account will be released and used to pay (in order of priority), amounts due to Class A Shareholders who exercise their redemption rights (as described under “— Description of the Ordinary Shares — Redemption rights of Class A Shareholders” above), all or a portion of the consideration payable to the De-SPAC Target or owners of the De-SPAC Target, any loans drawn under the Loan Facility, and other expenses associated with completing the De-SPAC Transaction;
- (2) meet redemption requests of Class A Shareholders in connection with a Shareholder vote to (A) approve the De-SPAC Transaction; (B) modify the timing of our obligation to announce a De-SPAC Transaction within 24 months of the [REDACTED] or complete the De-SPAC Transaction within 36 months of the [REDACTED]; or (C) approve the continuation of the Company following a material change in the Promoters or the Directors as provided for in the Listing Rules;

DESCRIPTION OF THE SECURITIES

- (3) return funds to Class A Shareholders within one month of a suspension of [REDACTED] imposed by the Stock Exchange if the Company (A) fails to obtain the requisite approvals in respect of the continuation of the Company following a material change referred to in Rule 18B.32 of the Listing Rules; or (B) fails to meet any of the deadlines (extended or otherwise) to (i) publish an announcement of the terms of a De-SPAC Transaction within 24 months of the [REDACTED] or (ii) complete a De-SPAC Transaction within 36 months of the [REDACTED]; or
- (4) 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 [REDACTED] from the sale of the Class B Shares and the Promoter Warrants), or from loans drawn under the Loan Facility.

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 Memorandum and Articles of Association, which will become effective upon the [REDACTED]. The Memorandum and Articles of Association stipulate that the monies held in the Escrow Account (including interest and other income earned on the funds held in the Escrow Account) must not be released to any person other than to meet redemption requests of Class A Shareholders, complete a De-SPAC Transaction, return funds to Class A Shareholders in accordance with Rule 18B.74 of the Listing Rules or return funds to Class A Shareholders by redeeming such Class A Shares prior to the liquidation or winding up of the Company. The Memorandum and Articles of Association further provide that in no other circumstances shall any person have any right or interest of any kind in the Escrow Account (including interest and other income earned on the funds held in the Escrow Account), including the Promoters who irrevocably waive their rights, title, interest or claims of any kind in or to any money in the Escrow Account in all circumstances, including their rights to liquidating distributions from the Escrow Account with respect to their Class B Shares;
- (b) the Company [has] entered into the Escrow Agreement in compliance with and consistent with the requirements of Chapter 18B of the Listing Rules and Guidance Letter HKEX-GL113-22. The Escrow Agreement provides that, among others, the Escrow Account is domiciled in Hong Kong and operated by BOCI-Prudential Trustee 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) the Escrow Agent [has] undertaken to the Stock Exchange that for so long as it acts as the Escrow Agent, it will comply with (i) all of its obligations as set out in the Escrow Agreement, (ii) the obligations set out in paragraphs 12 and 14 of Guidance Letter HKEX-GL114-22 and (iii) all the Listing Rules, published listing decisions and guidance letters requirements applicable to a trustee for the escrow account of a SPAC as may be published by the Stock Exchange from time to time;
- (d) the Directors owe fiduciary duties to us, including the duty to act in good faith and in our best interests, including supervising the management and operations of the monies held in the Escrow Account;

DESCRIPTION OF THE SECURITIES

- (e) we [have] appointed three 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 Zero2IPO Capital Limited as our compliance advisor, 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 our executive Directors to be 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.

Pursuant to the Promoter Agreement, 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 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 liabilities and initially recognized at fair value minus transaction costs that are directly attributable to the issuance of financial liabilities and subsequently measured at amortized cost using the effective interest method. The Listed 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 Listed Warrants. In addition, at each reporting period, the fair value of the liability of the Listed 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 Class B Shares are equity instruments. With respect to (i) the Promoter Warrants and (ii) the conversion right of the Class B Shares (such that the Class B Shares would become convertible into Class A Shares concurrently with or following the completion of a De-SPAC Transaction), it is expected that the associated obligation will be accounted for as equity-settled share-based payment, with the completion of the De-SPAC Transaction as the vesting condition. The difference between the fair value of the conversion right of the Class B Shares and the Promoter Warrants and the subscription price paid by the Promoters would be recognized as equity-settled share-based payment cost with a corresponding increase in a reserve within equity.

DESCRIPTION OF THE SECURITIES

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 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.

[REDACTED]