

# ANNOUNCEMENT OF OFFER PRICE AND ALLOTMENT RESULTS

## SUMMARY

### OFFER PRICE

- The Offer Price has been determined at HK\$26.50 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%).

### NET PROCEEDS FROM THE GLOBAL OFFERING

- Based on the Offer Price of HK\$26.50 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deducting the underwriting commissions, fees and estimated expenses payable by the Company in connection with the Global Offering and assuming that the Over-allotment Option is not exercised at all, is estimated to be approximately HK\$319.6 million. The Company intends to apply such net proceeds in the manner as set out in “Net Proceeds from the Global Offering” in this announcement.
- If the Over-allotment Option is exercised, the Company will receive additional net proceeds of approximately HK\$10.8 million for the issue of 406,800 additional Offer Shares. In such event, the Company will increase the intended use of net proceeds on a *pro rata* basis according to the use of proceeds as set out in “Net Proceeds from the Global Offering” in this announcement.

### APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED IN THE HONG KONG PUBLIC OFFERING

- The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been slightly over-subscribed. A total of 1,851 valid applications have been received pursuant to the Hong Kong Public Offering through the **HK eIPO White Form** service and through the **CCASS EIPO** service for a total of 7,548,400 Hong Kong Offer Shares, representing approximately 5.12 times of the total number of 1,473,600 Offer Shares initially available for subscription under the Hong Kong Public Offering.
- As the over-subscription in the Hong Kong Public Offering represents less than 15 times of the total number of Offer Shares initially available under the Hong Kong Public Offering, no reallocation procedure as disclosed in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation and Clawback” in the Prospectus has been applied and no International Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Offer Shares under the Hong Kong Public Offering is 1,473,600 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). There are a total number of 1,149 Shareholders who were allocated the Offer Shares under the Hong Kong Public Offering, among which, 924 Shareholders, representing approximately 80.42% of the Shareholders who were allocated the Offer Shares under the Hong Kong Public Offering, were allocated with one board lot of the Offer Shares, totaling 369,600 Shares, representing approximately 25.08% of the total Offer Shares under the Hong Kong Public Offering.

- The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the section headed “Basis of Allotment under the Hong Kong Public Offering” below.

## **INTERNATIONAL OFFERING**

- The International Offer Shares initially offered under the International Offering have been slightly over-subscribed, representing approximately 1.47 times of the total number of Offer Shares initially available under the International Offering (before any exercise of the Over-allotment Option). The final number of the Offer Shares allocated to the places under the International Offering is 13,258,000 Offer Shares, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).
- There has been an over-allocation of 406,800 Offer Shares and there were a total of 122 places under the International Offering. A total of 80 places have been allotted one board lot of the Offer Shares, representing approximately 65.57% of the total number of 122 places under the International Offering. These places have been allotted 32,000 Offer Shares, representing approximately 0.24% of the 13,258,000 Offer Shares available under the International Offering (assuming the Over-allotment Option is not exercised). Please refer to the section headed “International Offering” below.
- The International Offering has been conducted in compliance with the Placing Guidelines for Equity Securities as set out in Appendix 6 to the Listing Rules (the “**Placing Guidelines**”). The Directors confirm that, to the best of their knowledge, information and belief, no Offer Shares placed by or through the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed to any core connected persons (as defined in the Listing Rules), or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or to any Directors or existing Shareholders of the Company or their respective close associates (as set out in paragraph 5(2) of the Placing Guidelines), whether in their own names or through nominees.
- None of the Overall Coordinators, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and their respective affiliated companies and connected clients of the lead broker or of any distributors (as defined in the Placing Guidelines) has taken up any Offer Shares for its own benefit under the Global Offering.

## Cornerstone Investor

- Based on the Offer Price of HK\$26.50 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%) and pursuant to the Cornerstone Investment Agreement entered into with the Cornerstone Investor as disclosed in the section headed “Cornerstone Investor” in the Prospectus, the Cornerstone Investor has subscribed for 1,465,600 Offer Shares, representing in aggregate approximately 0.37% of the total share capital of the Company immediately following completion of the Global Offering (before any exercise of the Over-allotment Option) and approximately 9.95% of the number of Offer Shares under the Global Offering (before any exercise of the Over-allotment Option). Please also refer to the section headed “International Offering – Cornerstone Investor” in this announcement for details relating to the subscription by the Cornerstone Investor.
- To the best knowledge of the Directors, (i) the Cornerstone Investor is an Independent Third Party and is not a connected person (as defined under the Listing Rules) of the Company; (ii) the Cornerstone Investor is not accustomed to take instructions from the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares registered in its name or otherwise held by it; and (iii) the subscription of the relevant Offer Shares by the Cornerstone Investor is not financed by the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or their respective close associates. The Cornerstone Investor has confirmed that all necessary approvals have been obtained with respect to the cornerstone investment and that no specific approval from any stock exchange (if relevant) or its shareholders is required for the relevant cornerstone investment as it is not listed on any stock exchange.
- The Offer Shares to be subscribed for by the Cornerstone Investor will rank *pari passu* in all respects with the fully paid Shares in issue and will be counted towards the public float of the Company under Rule 8.08 of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investor will not become a substantial Shareholder (as defined in the Listing Rules) of the Company, or have any Board representation in the Company by virtue of its cornerstone investment. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investor does not have any preferential rights in the Cornerstone Investment Agreement compared with other public Shareholders.

## **CONFIRMATIONS OF PUBLIC SHAREHOLDERS IN THE HONG KONG PUBLIC OFFERING AND PLACES IN THE INTERNATIONAL OFFERING**

- The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been directly or indirectly financed by the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or their respective close associates; and (ii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them.

## **OVER-ALLOTMENT OPTION**

- In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable in whole or in part by the Overall Coordinators (on behalf of the International Underwriters), at any time from the Listing Date until 30 days after the last day for lodging of applications under the Hong Kong Public Offering (the last day for exercise of the Over-allotment Option being Thursday, January 19, 2023) to require the Company to issue and allot up to 2,209,600 additional Shares, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price to cover over-allocations in the International Offering, if any. There has been an over-allocation of 406,800 Shares in the International Offering and such over-allocation will be settled using the Shares purchased by the Stabilizing Manager (or any person acting for it) in the secondary market, exercising the Over-allotment Option in part or through delayed delivery arrangements with investors who have been allocated Offer Shares in the International Offering. The delayed delivery arrangements (if specifically agreed by an investor) relate only to the delay in the delivery of the Offer Shares to such investor and the Offer Price for the Offer Shares allocated to such investor will be fully paid before dealings commence, accordingly there will be no delayed settlement of the Offer Shares.
- In the event the Over-allotment Option is exercised, an announcement will be made on the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) and the Company's website at [www.starcmgroup.com](http://www.starcmgroup.com). As of the date of this announcement, the Over-allotment Option has not been exercised.

## LOCK-UP OBLIGATIONS

- The Company, each of the Controlling Shareholders, all existing Shareholders and the Cornerstone Investor are subject to certain lock-up obligations as set out in the section headed “Lock-up Obligations” in this announcement.

## RESULTS OF ALLOCATIONS

- The Offer Price, the level of indications of interests in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares will be published on the Company’s website at [www.starcmgroup.com](http://www.starcmgroup.com) and the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) by no later than 9:00 a.m. on Wednesday, December 28, 2022.
- The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **HK eIPO White Form** service or through the **CCASS EIPO** service, including the Hong Kong identity card/passport/Hong Kong business registration/certificate of incorporation numbers of successful applicants, and the number of Hong Kong Offer Shares successfully applied for, will be available at the times and dates and in the manner specified below:
  - in the announcement to be posted on the Company’s website at [www.starcmgroup.com](http://www.starcmgroup.com) and the Stock Exchange’s website at [www.hkexnews.hk](http://www.hkexnews.hk) by no later than 9:00 a.m. on Wednesday, December 28, 2022;
  - from the “IPO Results” function in the **IPO App** and the designated results of allocations website at [www.tricor.com.hk/ipo/result](http://www.tricor.com.hk/ipo/result) or [www.hkeipo.hk/IPOResult](http://www.hkeipo.hk/IPOResult) with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Wednesday, December 28, 2022 to 12:00 midnight on Tuesday, January 3, 2023; and
  - from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Wednesday, December 28, 2022 to Tuesday, January 3, 2023 (excluding Saturday, Sunday and public holiday in Hong Kong);
- This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature. Please note that the list of identification document numbers set out in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Hong Kong Offer Shares through their brokers can consult their brokers to enquire about their application results.

- Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **HK eIPO White Form**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.

## **DISPATCH/COLLECTION OF SHARE CERTIFICATES AND REFUND MONIES**

- Applicants who applied for 500,000 Hong Kong Offer Shares or more through the **HK eIPO White Form** service and who have been wholly successfully or partially successfully allocated Hong Kong Offer Shares and are eligible to collect the Share certificates in person may collect the Share certificates from the Hong Kong Share Registrar, Tricor Investor Services Limited at 17/F, Far East Finance Centre, 16 Harcourt Road, Hong Kong from 9:00 a.m. to 1:00 p.m. on Wednesday, December 28, 2022.
- Applicants being individuals who are eligible for personal collection cannot authorize any other person to make collection on their behalf. Corporate applicants which are eligible for personal collection must attend by their authorised representatives bearing letters of authorisation from their corporations stamped with the corporations’ chops. Both individuals and authorised representatives (if applicable) must produce, at the time of collection, evidence of identity acceptable to Tricor Investor Services Limited.
- Applicants who apply for less than 500,000 Hong Kong Offer Shares through the **HK eIPO White Form** service, will have their Share certificate(s) (where applicable) sent to the address specified in their application instructions by ordinary post and at their own risk on or before Wednesday, December 28, 2022.
- Share certificates for Hong Kong Offer Shares allotted to applicants who applied through the **HK eIPO White Form** service, which are either not available for personal collection, or which are available but are not collected in person within the time specified for collection, are expected to be dispatched by ordinary post to those entitled to the addresses specified in the relevant applications at their own risk on or before Wednesday, December 28, 2022.
- Wholly or partially successful applicants who applied by giving electronic application instructions to HKSCC via CCASS will have their Share certificate(s) issued in the name of HKSCC Nominees Limited and deposited directly into CCASS for credit to their CCASS Investor Participant stock accounts or the stock accounts of their designated CCASS Participant who gave electronic application instructions on their behalf on Wednesday, December 28, 2022.
- Applicants who applied through a designated CCASS Participant (other than a CCASS Investor Participant) should check the number of Hong Kong Offer Shares allocated to them and the amount of refund monies payable to them with that CCASS Participant.

- Applicants who applied as a CCASS Investor Participant by giving electronic application instructions to HKSCC via CCASS should check and report any discrepancies to HKSCC before 5:00 p.m. on Wednesday, December 28, 2022 or such other date as shall be determined by HKSCC or HKSCC Nominees. Applicants who applied as a CCASS Investor Participant by giving electronic application instructions to HKSCC via CCASS may also check the results of their applications and the amount of refund monies payable to them via the CCASS Phone System and the CCASS Internet System (under the procedures contained in HKSCC’s “An Operating Guide for Investor Participants” in effect from time to time). Immediately following the credit of the Hong Kong Offer Shares to the CCASS Investor Participants stock accounts and the credit of the refund monies to their respective designated bank account (if any), HKSCC will also make available to the CCASS Investor Participants an activity statement showing the number of the Hong Kong Offer Shares credited to their stock accounts and the amount of refund monies (if any) credited to their respective designated bank accounts.
- Applicants who applied through the **HK eIPO White Form** service and paid the application monies through a single bank account, refund monies (if any) will be dispatched to their application payment bank account in the form of e-Auto Refund payment instructions on Wednesday, December 28, 2022. Applicants who applied through the **HK eIPO White Form** service and paid the application monies through multiple bank accounts, will have refund monies (if any) despatched to the addresses specified on the **HK eIPO White Form** applications in the form of refund cheque(s) in favour of the applicant (or, in the case of joint applications, the first-named applicant) by ordinary post and at their own risk on or before Wednesday, December 28, 2022.
- Refund monies (if any) for applicants who applied by giving electronic application instructions to HKSCC via CCASS are expected to be credited to the relevant applicants’ designated bank accounts or the designated bank accounts of their broker or custodian on Wednesday, December 28, 2022.
- Share certificates will only become valid evidence of title at 8:00 a.m. (Hong Kong time) on Thursday, December 29, 2022 provided that the Global Offering has become unconditional in all respects at or before that time and the right of termination as described in the section headed “Underwriting – Underwriting Arrangements and Expenses – The Hong Kong Public Offering – Hong Kong Underwriting Agreement – Grounds for Termination” in the Prospectus has not been exercised.
- The Company will not issue any temporary documents of title in respect of the Offer Shares and will not issue any receipt for application monies received.

## **PUBLIC FLOAT**

- Immediately following completion of the Global Offering and assuming the Over-allotment Option is not exercised, approximately 20.58% of the Company's enlarged issued share capital will be held by the public for the purpose of Rule 8.08(1)(a). The Company has applied to the Stock Exchange to request the Stock Exchange to exercise its discretion under Rule 8.08(1)(d) of the Listing Rules, and the Stock Exchange has granted the Company, a waiver from strict compliance with the requirements under Rule 8.08(1)(a) of the Listing Rules. Therefore, the public float of the Company may fall below 25% of the total issued share capital of the Company. For details of the public float waiver, please refer to the section headed "Waivers from Strict Compliance with the Listing Rules – Waiver in respect of the Public Float Requirement" in the Prospectus. The Directors confirm that immediately after the Global Offering, (i) no placee will, individually, be placed more than 10% of the enlarged issued share capital of the Company, (ii) there will not be any new substantial Shareholder (as defined in the Listing Rules) of the Company, (iii) the three largest public Shareholders do not hold more than 50% of the shares held in public hands at the time of the Listing in compliance with Rules 8.08(3) and 8.24 of the Listing Rules, and (iv) there will be at least 300 Shareholders at the time of the Listing in compliance with Rule 8.08(2) of the Listing Rules.

## **COMMENCEMENT OF DEALINGS**

- Assuming the Global Offering becomes unconditional at or before 8:00 a.m. on Thursday, December 29, 2022 (Hong Kong time), dealings in the Shares are expected to commence at 9:00 a.m. on Thursday, December 29, 2022 (Hong Kong time). The Shares will be traded in board lots of 400 Shares each. The stock code of the Shares is 6698.
- **In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.**

## **OFFER PRICE**

The Offer Price has been determined at HK\$26.50 per Offer Share (exclusive of brokerage of 1%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%).

## **NET PROCEEDS FROM THE GLOBAL OFFERING**

Based on the Offer Price of HK\$26.50 per Offer Share, the net proceeds from the Global Offering to be received by the Company, after deduction of the underwriting commissions, fees and estimated expenses payable by the Company in connection with the Global Offering, are estimated to be approximately HK\$319.6 million (before any exercise of the Over-allotment Option).



The Company intends to apply the net proceeds as follows:

1. Approximately 80.0%, or HK\$255.7 million, will be used to fund the Company's IP production and operation:
  - (i) Approximately 70.0%, or HK\$223.7 million, will be used to fund the Company's variety program IP creation and operation;
  - (ii) Approximately 4.0%, or HK\$12.8 million, will be used to fund the Company's music IP production and operation;
  - (iii) Approximately 4.0%, or HK\$12.8 million, will be used to fund the Company's film and drama series IP production and operation;
  - (iv) Approximately 2.0%, or HK\$6.4 million, will be used to fund the purchase and upgrade of equipment, hardware and software for the Company's technical team, production team and short-video team.
  
2. Approximately 20.0%, or HK\$63.9 million, will be used to expand the Company's audience reach to provide better customer service and build on the Company's established entertainment IP industry value chain.
  - (i) the Company plans to invest approximately 15.0%, or HK\$47.9 million, in the construction of one "Star Movie Digital Interactive Experience Hall" featuring our film IPs, one "Canxing Music Digital Interactive Experience Hall" featuring the Company's music IPs, one electronic music and street dance center and one live streaming center, to provide audience with onsite experience in a range of venues underpinned by the Company's IPs;
  - (ii) the Company plans to use 0.5%, or HK\$1.6 million of proceeds to continue to invest in establishing Canxing bootcamp and academy to provide online and offline art trainings services to a wide coverage of recipients, including but not limited to trainings on music and dance;
  - (iii) the Company plans to invest 2.5%, or HK\$8.0 million, in the field of consumer products, including the design and commercialization of fashion items featuring the Company's IPs, and the operation of Canxing live house and music-themed bookstore;
  - (iv) the Company plans to invest 2.0%, or HK\$6.4 million, in investing and operating offline activities, such as music festivals, multi-media content centers and music plazas.

If the Over-allotment Option is exercised, the Company will receive additional net proceeds of approximately HK\$10.8 million for the issue of 406,800 additional Offer Shares. In such event, the Company will increase the intended use of net proceeds for the above purposes on a *pro rata* basis.

If the net proceeds of the Global Offering are not immediately applied to the above purposes, the Company will only deposit those net proceeds into short-term interest-bearing accounts at licensed commercial banks and/or other authorized financial institutions. The Company will make an appropriate announcement if there is any change to the above proposed use of proceeds.

For further information, please refer to the section headed “Future Plans and Use of Proceeds” in the Prospectus.

## **APPLICATIONS AND INDICATIONS OF INTEREST RECEIVED IN THE HONG KONG PUBLIC OFFERING**

The Hong Kong Offer Shares initially offered under the Hong Kong Public Offering have been slightly over-subscribed. At the close of the application lists at 12:00 noon on Tuesday, December 20, 2022, a total of 1,851 valid applications have been received pursuant to the Hong Kong Public Offering through the **HK eIPO White Form** service and through the **CCASS EIPO** service for a total of 7,548,400 Hong Kong Offer Shares, representing approximately 5.12 times of the total number of 1,473,600 Offer Shares initially available for subscription under the Hong Kong Public Offering, which:

- 1,836 valid applications in respect of a total of 3,811,600 Hong Kong Offer Shares were for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$32.5 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%) of HK\$5 million or less, representing approximately 5.17 times of the 736,800 Hong Kong Offer Shares initially comprised in Pool A of the Hong Kong Public Offering; and
- 15 valid applications in respect of a total of 3,736,800 Hong Kong Offer Shares for the Hong Kong Public Offering with an aggregate subscription amount based on the maximum Offer Price of HK\$32.5 per Offer Share (excluding brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%) of more than HK\$5 million, representing approximately 5.07 times of the 736,800 Hong Kong Offer Shares initially comprised in Pool B of the Hong Kong Public Offering.

No multiple or suspected multiple application has been identified and rejected. No application has been rejected due to dishonored payments. No application has been rejected due to invalid application. No application for more than 736,800 Hong Kong Offer Shares (being 50% of the Hong Kong Offer Shares initially available under the Hong Kong Public Offering) has been identified.

As the over-subscription in the Hong Kong Public Offering represents less than 15 times of the total number of Offer Shares initially available under the Hong Kong Public Offering, no reallocation procedure as disclosed in the section headed “Structure of the Global Offering – The Hong Kong Public Offering – Reallocation and Clawback” in the Prospectus has been applied and no International Offer Shares have been reallocated from the International Offering to the Hong Kong Public Offering. The final number of Offer Shares under the Hong Kong Public Offering is 1,473,600 Offer Shares, representing approximately 10% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option). There are a total number of 1,149 Shareholders who were allocated the Offer Shares under the Hong Kong Public Offering, among which, 924 Shareholders, representing approximately 80.42% of the Shareholders who were allocated the Offer Shares under the Hong Kong Public Offering, were allocated with one board lot of the Offer Shares, totaling 369,600 Shares, representing approximately 25.08% of the total Offer Shares under the Hong Kong Public Offering.

The Offer Shares offered in the Hong Kong Public Offering were conditionally allocated on the basis set out in the section headed “Basis of Allotment under the Hong Kong Public Offering” below.

## **INTERNATIONAL OFFERING**

The International Offer Shares initially offered under the International Offering have been slightly over-subscribed, representing approximately 1.47 times of the total number of Offer Shares initially available under the International Offering (before any exercise of the Over-allotment Option). The final number of the Offer Shares allocated to the places under the International Offering is 13,258,000 Offer Shares, representing approximately 90% of the total number of Offer Shares initially available under the Global Offering (before any exercise of the Over-allotment Option).

There has been an over-allocation of 406,800 Offer Shares and there were a total of 122 places under the International Offering. A total of 80 places have been allotted one board lot of the Offer Shares, representing approximately 65.57% of the total number of 122 places under the International Offering. These places have been allotted 32,000 Offer Shares, representing approximately 0.24% of the 13,258,000 Offer Shares available under the International Offering (assuming the Over-allotment Option is not exercised).

The International Offering has been conducted in compliance with the Placing Guidelines. The Directors confirm that, to the best of their knowledge, information and belief, no Offer Shares placed by or through the Overall Coordinators, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers or the Underwriters under the Global Offering have been placed to any core connected persons (as defined in the Listing Rules), or to any connected clients (as set out in paragraph 5(1) of the Placing Guidelines), or to any Directors or existing Shareholders of the Company or their respective close associates (as set out in paragraph 5(2) of the Placing Guidelines), whether in their own names or through nominees.

None of the Overall Coordinators, the Joint Sponsors, the Joint Global Coordinators, the Joint Bookrunners, the Joint Lead Managers, the Underwriters and their respective affiliated companies and connected clients of the lead broker or of any distributors (as defined in the Placing Guidelines) has taken up any Offer Shares for its own benefit under the Global Offering.

## Cornerstone Investor

Based on the Offer Price of HK\$26.50 per Offer Share (exclusive of brokerage of 1.0%, SFC transaction levy of 0.0027%, Stock Exchange trading fee of 0.005% and AFRC transaction levy of 0.00015%) and pursuant to the Cornerstone Investment Agreement entered into with the Cornerstone Investor as disclosed in the section headed “Cornerstone Investor” in the Prospectus, the number of Offer Shares subscribed for by the Cornerstone Investor is determined as set out below:

Cornerstone Investor			Approximate percentage of Offer Shares in the Global Offering		Approximate percentage of Shares in issue immediately following the completion of the Global Offering	
	Investment Amount (US\$ in million)	Number of Shares subscribed <sup>(1)</sup>	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised <sup>(2)</sup>	Assuming the Over-allotment Option is not exercised	Assuming the Over-allotment Option is exercised <sup>(2)</sup>
TradArt Investment SP	5	1,465,600	9.95%	9.68%	0.37%	0.37%
<b>Total</b>	<b>5</b>	<b>1,465,600</b>	<b>9.95%</b>	<b>9.68%</b>	<b>0.37%</b>	<b>0.37%</b>

### Notes:

- (1) Subject to rounding down to the nearest whole board lot of 400 Shares. Calculated based on the exchange rate of US\$1.00 to HK\$7.7690, as disclosed in the Prospectus.
- (2) Assuming the Over-allotment Option is exercised. The total issued share capital upon Listing has taken into account of the additional 406,800 Shares to be issued upon the exercise of the Over-allotment Option.
- (3) Percentage figures in the table above are subject to rounding adjustments.

To the best knowledge of the Directors, (i) the Cornerstone Investor is an Independent Third Party and is not a connected person (as defined under the Listing Rules) of the Company; (ii) the Cornerstone Investor is not accustomed to take instructions from the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Offer Shares registered in its name or otherwise held by it; and (iii) the subscription of the relevant Offer Shares by the Cornerstone Investor is not financed by the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or their respective close associates. The Cornerstone Investors has confirmed that all necessary approvals have been obtained with respect to the cornerstone investment and that no specific approval from any stock exchange (if relevant) or its shareholders is required for the relevant cornerstone investment as it is not listed on any stock exchange.

As confirmed by the Cornerstone Investor, its subscription under the cornerstone investment would be financed by its own internal resources. Other than the Cornerstone Investment Agreement, there are no side agreements or arrangements between the Company and the Cornerstone Investor in relation to the Global Offering.

The cornerstone placing will form part of the International Offering and the Cornerstone Investor will not subscribe for any Offer Shares under the Global Offering (other than pursuant to the Cornerstone Investment Agreement). The Offer Shares to be subscribed by the Cornerstone Investor will rank *pari passu* in all respect with the fully paid Shares in issue and will be counted towards the public float of the Company under Rule 8.08 of the Listing Rules. Immediately following the completion of the Global Offering, the Cornerstone Investor will not become a substantial Shareholder (as defined in the Listing Rules) of the Company, or have any Board representation in the Company by virtue of its cornerstone investment. Other than a guaranteed allocation of the relevant Offer Shares at the final Offer Price, the Cornerstone Investor does not have any preferential rights in the Cornerstone Investment Agreement compared with other public Shareholders.

The Cornerstone Investor has agreed that it will not, whether directly or indirectly, at any time during the lock-up period of twelve (12) months from the Listing Date (the “**Lock-up Period**”), dispose of any of the Offer Shares they have subscribed for pursuant to the Cornerstone Investment Agreement, save for in certain limited circumstances, such as transfers to any of its wholly-owned subsidiaries who will be bound by the same obligations of such Cornerstone Investor, including the Lock-up Period restriction.

Please refer to the section headed “Cornerstone Investor” in the Prospectus for further details relating to the Cornerstone Investor.

## **CONFIRMATIONS OF PUBLIC SHAREHOLDERS IN THE HONG KONG PUBLIC OFFERING AND PLACES IN THE INTERNATIONAL OFFERING**

The Directors confirm that, to the best of their knowledge, information and belief, (i) none of the Offer Shares subscribed by public Shareholders in the Hong Kong Public Offering and places in the International Offering has been directly or indirectly financed by the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or their respective close associates; and (ii) none of the public Shareholders in the Hong Kong Public Offering and places in the International Offering who has subscribed for the Offer Shares is accustomed to taking instructions from the Company, the Directors, chief executive, the Controlling Shareholders, substantial Shareholders, existing Shareholders of the Company or any of their subsidiaries or their respective close associates in relation to the acquisition, disposal, voting or other disposition of the Shares registered in their name or otherwise held by them.

## **OVER-ALLOTMENT OPTION**

In connection with the Global Offering, the Company has granted the Over-allotment Option to the International Underwriters, exercisable in whole or in part by the Overall Coordinators (on behalf of the International Underwriters), at any time from the Listing Date until 30 days after the last day for lodging of applications under the Hong Kong Public Offering (the last day for exercise of the Over-allotment Option being Thursday, January 19, 2023), to require the Company to allot and issue up to 2,209,600 additional Offer Shares, representing approximately 15% of the total number of Offer Shares initially available under the Global Offering, at the Offer Price under the International Offering to cover the over-allocation in the International Offering. There has been an over-allocation of 406,800 Offer Shares in the International Offering and such over-allocation will be settled using the Shares purchased by the Stabilizing Manager (or any person acting for it) in the secondary market, exercising the Over-allotment Option in part or through delayed delivery arrangements with investors who have been allocated Offer Shares in the International Offering. The delayed delivery arrangements (if specifically agreed by an investor) relate only to the delay in the delivery of the Offer Shares to such investor and the Offer Price for the Offer Shares allocated to such investor will be fully paid before dealings commence, accordingly there will be no delayed settlement of the Offer Shares. As of the date of this announcement, the Over-allotment Option has not been exercised. In the event the Over-allotment Option is exercised, an announcement will be made on the websites of the Company and the Stock Exchange at [www.starcmgroup.com](http://www.starcmgroup.com) and [www.hkexnews.hk](http://www.hkexnews.hk), respectively.

## **LOCK-UP OBLIGATIONS**

The Company, each of the Controlling Shareholders, all existing Shareholders (except for the Controlling Shareholders) and the Cornerstone Investor are subject to certain lock-up obligations in relation to the issue or disposal of Shares (the “**Lock-up Obligations**”). The major terms of the Lock-up Obligations are set out as follows:

Name	Number of Shares subject to the Lock-up Undertakings after Listing	Percentage of shareholding in the Company subject to the Lock-up Undertakings upon Listing <sup>(1)</sup>	Last day subject to the Lock-up Undertakings
<i>The Company (subject to lock-up obligations pursuant to the Listing Rules and the Hong Kong Underwriting Agreement)</i>	N/A	N/A	June 28, 2023 <sup>(2)</sup>
<i>Controlling Shareholders (subject to lock-up obligations pursuant to the Listing Rules, the Hong Kong Underwriting Agreement and lock-up undertakings)</i>	316,206,377	79.42%	June 28, 2023 (First Six Month Period) <sup>(3)(4)</sup> December 28, 2023 (Second Six Month Period) <sup>(4)</sup>
<i>All existing Shareholders (except for the Controlling Shareholders) (subject to lock-up obligations pursuant to lock-up undertakings)</i>	67,193,391	16.88%	December 28, 2023 <sup>(4)</sup>
<i>Cornerstone Investor (subject to lock-up obligations pursuant to the Cornerstone Investment Agreement)</i>	1,465,600	0.37%	December 28, 2023 <sup>(5)</sup>
<b>Total</b>	<b><u>384,865,368</u></b>	<b><u>96.67%</u></b>	

Notes:

- (1) Assuming the Over-allotment Option is not exercised.
- (2) The Company may issue Shares without any lock-up obligations after the indicated date in accordance with Rule 10.08 of the Listing Rules.
- (3) Pursuant to the Listing Rules and the Hong Kong Underwriting Agreement, the Controlling Shareholders stated herein shall not (a) dispose of any of the relevant securities of the Company in the First Six-Month Period; (b) dispose of any of the relevant securities of the Company in the Second Six-Month Period if immediately following such disposal the Controlling Shareholders would cease to be a group of controlling shareholder (as defined in the Listing Rules) of the Company.
- (4) Pursuant to separate lock-up undertakings provided by each holder of the Shares, all existing Shareholders shall not dispose of or transfer Shares held by them during the period of twelve (12) months from the Listing Date.
- (5) The Cornerstone Investor may dispose of any of the Offer Shares subscribed in the Global Offering after the indicated date.
- (6) Percentage figures in the table above are subject to rounding adjustments.

## BASIS OF ALLOTMENT UNDER THE HONG KONG PUBLIC OFFERING

Subject to the satisfaction of the conditions set out in the section headed “Structure of the Global Offering – Conditions of the Global Offering” in the Prospectus, 1,851 valid applications made by the public through giving electronic applications instructions to HKSCC via CCASS and through the **HK eIPO White Form** service will be conditionally allocated on the basis set out below:

Pool A			
Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
400	1,056	423 out of 1,056 applicants to receive 400 shares	40.06%
800	85	60 out of 85 applicants to receive 400 shares	35.29%
1,200	387	343 out of 387 applicants to receive 400 shares	29.54%
1,600	32	400 shares	25.00%
2,000	40	400 shares plus 9 out of 40 applicants to receive an additional 400 shares	24.50%
2,400	15	400 shares plus 7 out of 15 applicants to receive an additional 400 shares	24.44%
2,800	68	400 shares plus 42 out of 68 applicants to receive an additional 400 shares	23.11%
3,200	6	400 shares plus 5 out of 6 applicants to receive an additional 400 shares	22.92%
3,600	5	800 shares	22.22%
4,000	30	800 shares plus 3 out of 30 applicants to receive an additional 400 shares	21.00%
6,000	45	1,200 shares	20.00%
8,000	11	1,200 shares plus 7 out of 11 applicants to receive an additional 400 shares	18.18%
10,000	3	1,600 shares	16.00%
12,000	8	1,600 shares plus 4 out of 8 applicants to receive an additional 400 shares	15.00%
14,000	4	2,000 shares	14.29%
16,000	3	2,000 shares plus 2 out of 3 applicants to receive an additional 400 shares	14.17%
18,000	3	2,400 shares	13.33%
20,000	11	2,400 shares plus 6 out of 11 applicants to receive an additional 400 shares	13.09%
30,000	6	3,600 shares	12.00%
40,000	3	4,400 shares	11.00%
50,000	2	5,200 shares	10.40%
60,000	4	6,000 shares	10.00%
70,000	2	6,800 shares	9.71%
80,000	1	7,600 shares	9.50%
90,000	3	8,400 shares	9.33%
100,000	2	9,200 shares	9.20%
150,000	1	13,600 shares	9.07%
<b>Total</b>	<b>1,836</b>	<b>Total number of Pool A successful applicants: 1,134</b>	



## Pool B

Number of shares applied for	Number of valid applications	Basis of allocation/ballot	Approximate percentage allotted of the total number of shares applied for
200,000	12	39,600 shares	19.80%
300,000	2	58,800 shares	19.60%
736,800	1	144,000 shares	19.54%
<b>Total</b>	<b><u>15</u></b>	<b>Total number of Pool B successful applicants: 15</b>	

The final number of Offer Shares comprised in the Hong Kong Public Offering is 1,473,600 Offer Shares, representing approximately 10% of the Offer Shares in the Global Offering (before any exercise of the Over-allotment Option).

The final number of Offer Shares available in the International Offering is 13,258,000 Offer Shares, representing approximately 90% of the Offer Shares in the Global Offering (before any exercise of the Over-allotment Option).

## SHAREHOLDING CONCENTRATION ANALYSIS

A summary of allotment results under the International Offering is set out below:

- Top 1, 5, 10, 20 and 25 of the placees in the International Offering:

Placee	Subscription	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of Over-allotment Option) <sup>(1)</sup>	Subscription as % of International Offering (assuming the Over-allotment Option is exercised) <sup>(2)</sup>	Subscription as % of total Offer Shares (assuming no exercise of Over-allotment Option) <sup>(1)</sup>	Number of Shares as % of total Offer Shares (assuming the Over-allotment Option is exercised) <sup>(2)</sup>	% of total share capital in issue (assuming no exercise of Over-allotment Option) <sup>(1)</sup>	% of total share capital in issue (assuming the Over-allotment Option is exercised) <sup>(2)</sup>
Top 1	1,465,600	1,465,600	11.05%	10.73%	9.95%	9.68%	0.37%	0.37%
Top 5	5,424,800	5,424,800	40.92%	39.70%	36.82%	35.83%	1.36%	1.36%
Top 10	9,005,600	9,005,600	67.93%	65.90%	61.13%	59.49%	2.26%	2.26%
Top 20	12,048,800	12,048,800	90.88%	88.17%	81.79%	79.59%	3.03%	3.02%
Top 25	12,658,000	12,658,000	95.47%	92.63%	85.92%	83.62%	3.18%	3.18%

*Notes:*

- (1) Assuming the Over-allotment Option is not exercised. The number of Offer Shares in the International Offering, the total Offer Shares and the total issued share capital upon Listing have not taken into account of the additional 406,800 Shares to be issued upon the exercise of the Over-allotment Option.
- (2) Assuming the Over-allotment Option is exercised. The number of Offer Shares in the International Offering, the total Offer Shares and the total issued share capital upon Listing have taken into account of the additional 406,800 Shares to be issued upon the exercise of the Over-allotment Option.

- Top 1, 5, 10, 20 and 25 Shareholders upon Listing:

Shareholders	Subscription	Number of Shares held upon Listing	Subscription as % of International Offering (assuming no exercise of Over-allotment Option) <sup>(1)</sup>	Subscription as % of International Offering (assuming the Over-allotment Option is exercised) <sup>(2)</sup>	Subscription as % of total Offer Shares (assuming no exercise of Over-allotment Option) <sup>(1)</sup>	Number of Shares as % of total Offer Shares (assuming the Over-allotment Option is exercised) <sup>(2)</sup>	% of total share capital in issue (assuming no exercise of Over-allotment Option) <sup>(1)</sup>	% of total share capital in issue (assuming the Over-allotment Option is exercised) <sup>(2)</sup>
Top 1	-	236,465,996	0.00%	0.00%	0.00%	0.00%	59.39%	59.33%
Top 5	-	356,826,558	0.00%	0.00%	0.00%	0.00%	89.63%	89.53%
Top 10	-	373,769,807	0.00%	0.00%	0.00%	0.00%	93.88%	93.79%
Top 20	5,424,800	388,824,568	40.92%	39.70%	36.82%	35.83%	97.66%	97.56%
Top 25	9,005,600	392,405,368	67.93%	65.90%	61.13%	59.49%	98.56%	98.46%

*Notes:*

- (1) Assuming the Over-allotment Option is not exercised. The number of Offer Shares in the International Offering, the total Offer Shares and the total issued share capital upon Listing have not taken into account of the additional 406,800 Shares to be issued upon the exercise of the Over-allotment Option.
- (2) Assuming the Over-allotment Option is exercised. The number of Offer Shares in the International Offering, the total Offer Shares and the total issued share capital upon Listing have taken into account of the additional 406,800 Shares to be issued upon the exercise of the Over-allotment Option.

**In view of the high concentration of shareholding in a small number of Shareholders, Shareholders and prospective investors should be aware that the price of the Shares could move substantially even with a small number of Shares traded, and should exercise extreme caution when dealing in the Shares.**

## RESULTS OF ALLOCATIONS

The Offer Price, the level of indications of interests in the International Offering, the level of applications in the Hong Kong Public Offering and the basis of allocation of the Hong Kong Offer Shares will be published on the Company's website at [www.starcmgroupp.com](http://www.starcmgroupp.com) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) by no later than 9:00 a.m. on Wednesday, December 28, 2022.

The results of allocations of the Hong Kong Offer Shares under the Hong Kong Public Offering successfully applied for through the **HK eIPO White Form** service or through the **CCASS EIPO** service, including the Hong Kong identity card/passport/Hong Kong business registration/certificate of incorporation numbers of successful applicants, and the number of Hong Kong Offer Shares successfully applied for, will be available at the times and dates and in the manner specified below:

- in the announcement to be posted on the Company's website at [www.starcmgroupp.com](http://www.starcmgroupp.com) and the Stock Exchange's website at [www.hkexnews.hk](http://www.hkexnews.hk) by no later than 9:00 a.m. on Wednesday, December 28, 2022;

- from the “IPO Results” function in the **IPO App** and the designated results of allocations website at [www.tricor.com.hk/ipo/result](http://www.tricor.com.hk/ipo/result) or [www.hkeipo.hk/IPOResult](http://www.hkeipo.hk/IPOResult) with a “search by ID” function on a 24-hour basis from 8:00 a.m. on Wednesday, December 28, 2022 to 12:00 midnight on Tuesday, January 3, 2023; and
- from the allocation results telephone enquiry line by calling +852 3691 8488 between 9:00 a.m. and 6:00 p.m. from Wednesday, December 28, 2022 to Tuesday, January 3, 2023 (except Saturday, Sunday and public holiday in Hong Kong);

This announcement contains a list of identification document numbers. Identification document numbers shown in the section headed “Results of Applications Made by **HK eIPO White Form**” in this announcement refer to Hong Kong identity card numbers/passport numbers/Hong Kong business registration numbers/certificate of incorporation numbers/beneficial owner identification codes (if such applications are made by nominees as agent for the benefit of another person) whereas those displayed in the section headed “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” in this announcement are provided by CCASS Participants via CCASS. Therefore, the identification document numbers shown in the two sections are different in nature. Please note that the list of identification document numbers set out in this announcement may not be a complete list of successful applicants since only successful applicants whose identification document numbers are provided to HKSCC by CCASS Participants are disclosed. Applicants with beneficial names only but not identification document numbers are not disclosed due to personal privacy issue as elaborated below. Applicants who applied for the Hong Kong Offer Shares through their brokers can consult their brokers to enquire about their application results.

Since applications are subject to personal information collection statements, beneficial owner identification codes displayed in the sections headed “Results of Applications Made by **HK eIPO White Form**” and “Results of Applications Made by Giving **Electronic Application Instructions** to HKSCC via CCASS” are redacted and not all details of applications are disclosed in this announcement.