
HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

OUR HISTORY

Overview

Our Company was incorporated as an exempted limited liability company in the Cayman Islands on June 24, 2021. Since its incorporation, our Company has been an investment holding company.

Our Group’s history can be traced back to March 2008 when Ophyer Technology was established. In March 2009, Mr. Wang and Mr. Li, the founders of our Group’s businesses, became the shareholders of Ophyer Technology. In April 2009, Mr. Wang and Mr. Li joined the management team of Ophyer Technology and since then, they were primarily responsible for the strategic development, overall operation and management of our Group. For the biography of Mr. Wang and Mr. Li, see the paragraph headed “Directors and Senior Management — Board of Directors — Executive Directors” in this document. We were previously principally engaged in games and games-related business. Since April 2017, we started shifting our focus to the AR/VR content and services businesses by gradually scaling down and finally completed the winding-down of our games and games-related business in May 2019 mainly because we saw the development and fast growth of the AR/VR content and services market. Our history in the games business provided us with the experiences and advantages in technologies and operations which would be beneficial to our shift to the AR/VR content and services business. We made a strategic shift in our business focus to AR/VR content and services to take advantage of the opportunities and to fulfill the unmet customer demands in the AR/VR content and services market. In 2021, we announced that we will be publishing our Feitian Metaverse platform. According to iResearch, we ranked the first in terms of revenue in the AR/VR content and services market in China, amounting to approximately 2.6% of the market share in 2021. We also ranked the first in terms of revenue in the AR/VR services market in China, reaching approximately 13.5% of the market share in 2021.

The shares of Ophyer Technology were listed on the NEEQ in 2017 and were delisted from the NEEQ in 2019. See the paragraph headed “— Corporate Development — Listing on the NEEQ and Capital Increase” and “— Corporate Development — Delisting from the NEEQ” below for details.

In 2021, in preparation for the [REDACTED], we undertook a corporate reorganization upon which our Company became the holding company and the [REDACTED] vehicle of our Group. See the paragraph headed “— Reorganization” below for details.

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Key Milestones

The following table sets out major achievements and milestones in the development of our Group:

Year	Event
2008	Ophyer Technology was established in the PRC
2010	We started cooperation with a mobile telecommunications network provider in the PRC
2012	We became a cooperation partner of a mobile telecommunications network provider in the PRC
2016	We were awarded “Member Enterprise of Zhongguancun Enterprise Credit Promotion Association (中關村企業信用促進會會員單位)”
2017	The shares of Ophyer Technology were listed on the NEEQ in July We introduced our first AR/VR SaaS platform We were named as “China’s New Economic Leader” by China Economic Herald and China Business News
2019	The shares of Ophyer Technology were delisted from the NEEQ in August We launched the updated AR/VR SaaS platform, namely the “Wanjie Smart Marketing Platform” (萬界智慧營銷平台)
2020	We became an advertiser of the VR cloud store for one of the leading e-commerce platforms in the PRC We upgraded our Wanjie Smart Marketing Platform to comprehensively cover e-commerce, education, automobile, culture and tourism and live broadcast industries Mr. Wang Chongling (王崇嶺), Hefei Shuimu, Ms. Song Lifang (宋麗芳) and Saifu Dynamic became our [REDACTED] Investors We were awarded the “Top Ten Innovative Enterprises in Brand Power (Cultural Technology Industry) in 2019 (2019品牌強國 (文化科技行業) 十大創新力企業)” by Brand Power Economic Forum

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Year	Event
2021	Ms. Yi Huimin (益惠敏), Tongchuang Weiye, Guochuang Feitian, Kaiyuan Future, Grand Canal (Nanjing), Zhongtong Xinyuan, Nanchang Xiaolan, Mr. Liang Hui (梁輝), Shenzhen Chestnut, Shenzhen Linghang, Xi’an Zhiyao, Xi’an Biyue, Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思), Tianjin Xinghuo, Ningbo Midu, Ms. Li Xiujie (李秀傑), Jinan Taiyue, Hainan Yilin, Shanghai Zheji and Mr. Wang King Cheong Tommy (王景昌) became our [REDACTED] Investors

We announced that we will be publishing our Feitian Metaverse platform

OUR MAJOR PRC OPERATING ENTITIES

During the Track Record Period, certain of our Consolidated Affiliated Entities, namely Ophyer Technology, Hupo Jinyuan and Beijing Xingshi, made material financial contributions to our Group. The following table sets forth certain information of such Consolidated Affiliated Entities as of the Latest Practicable Date:

Name	Principal business activities	Date and place of establishment	Date of commencement of business	Direct shareholders	Amount of registered capital (RMB)
Ophyer Technology	AR/VR marketing services, AR/VR content, AR/VR SaaS, IP and others	March 19, 2008, the PRC	March 27, 2009	Registered Shareholders	11,572,845.00
Hupo Jinyuan	Promotion services	March 29, 2011, the PRC	September 19, 2011	Ophyer Technology	10,000,000.00
Beijing Xingshi	Text message services	April 10, 2020, the PRC	April 10, 2020	Ophyer Technology (70%) Weifang Weiting (30%)	10,000,000.00

Note: Our major PRC operating entities include our Consolidated Affiliated Entities which had contributed to our Group’s revenue during each year of the Track Record Period since their incorporations. Zhongrunxing and Shenzhen Huachuang did not have any business operation for the year ended December 31, 2019 and December 31, 2021, respectively and hence Zhongrunxing had not contributed to our Group’s revenue for the year ended December 31, 2019 and Shenzhen Huachuang had not contributed to our Group’s revenue for the year ended December 31, 2021. Therefore, they were not included in the above table.

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CORPORATE DEVELOPMENT

Ophyer Technology

Establishment

Ophyer Technology was established as a limited liability company on March 19, 2008 under the name of Beijing Hengchuang Zhaoye Technology Co., Ltd.* (北京恒創兆業科技有限公司) under the laws of the PRC with an initial registered capital of RMB1,000,000. Upon establishment, Ophyer Technology was held as to 64.00%, 35.00% and 1.00% by Mr. Yang Xuekai (楊雪凱), Mr. Guo Xiaofeng (郭曉峰) and Mr. Song Pengpeng (宋鵬鵬) (collectively, the “**Initial Shareholders**”), respectively, all of whom are Independent Third Parties.

Early development

On March 27, 2009, Ophyer Technology was renamed to Beijing Ophyer Technology Co., Ltd.* (北京掌中飛天科技有限公司).

On March 24, 2009, the Initial Shareholders entered into share transfer agreements with Mr. Wang, Mr. Li and three other Independent Third Parties, namely, Mr. Qin Zheng (秦征), Mr. Zhao Wei (趙偉) and Mr. An Di (安迪). Upon completion of these transfers on March 27, 2009, Ophyer Technology was owned by Mr. Qin Zheng (秦征), Mr. Zhao Wei (趙偉), Mr. Wang, Mr. An Di (安迪) and Mr. Li as to 23.00%, 23.00%, 18.00%, 18.00% and 18.00%, respectively.

Subsequent to various share transfers between November 2009 and June 2016, on June 20, 2016, Ophyer Technology was owned by Mr. Wang, Mr. Li, Shanghai Shiao and Shanghai Wangyue as to 72.00%, 13.00%, 10.00% and 5.00%, respectively. Shanghai Shiao and Shanghai Wangyue are both limited partnerships and are both ultimately held as to 85% by Mr. Wang (the general partner) and 15% by Mr. Li (the limited partner).

On September 2, 2016, Ophyer Technology was renamed to its current name Beijing Ophyer Technology Shares Co., Ltd.* (北京掌中飛天科技股份有限公司), and was subsequently converted into a joint stock company with limited liability, with RMB1,500,000 of its net assets converted into 1,500,000 issued shares with a nominal value of RMB1.00 each attributable to its then shareholders in proportion to their respective shareholdings. As a result, the registered capital of Ophyer Technology was increased to RMB1,500,000.

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Capital increases in 2017

On March 1, 2017, the registered capital of Ophyer Technology increased from RMB1,500,000 to RMB1,666,667 as a result of the capital contribution by an Independent Third Party, namely, Mr. Du Haitao (杜海濤). Mr. Du Haitao (杜海濤) invested RMB560,000 in Ophyer Technology, among which RMB166,667 was contributed to the registered capital of Ophyer Technology and the remaining amount was contributed to the capital reserve of Ophyer Technology. The consideration was fully settled on March 21, 2017.

On May 11, 2017, the registered capital of Ophyer Technology further increased from RMB1,666,667 to RMB1,937,984 as a result of the capital contributions by certain Independent Third Parties, namely, Hefei Shuimu, Mr. Wang Chongling (王崇嶺) and Shaanxi Big Data. Hefei Shuimu invested RMB2,000,000, among which RMB77,519 was contributed to the registered capital of Ophyer Technology; Mr. Wang Chongling (王崇嶺) invested RMB3,000,000, among which RMB116,279 was contributed to the registered capital of Ophyer Technology; and Shaanxi Big Data invested RMB2,000,000, among which RMB77,519 was contributed to the registered capital of Ophyer Technology. The remaining amount of the above capital contributions were contributed to the capital reserve of Ophyer Technology. The considerations were fully settled on April 28, 2017.

The considerations for the above capital increases in 2017 were determined after arm’s length negotiations with reference to the long-term development potential of Ophyer Technology agreed between the parties.

Upon completion of the above capital increases, Ophyer Technology was owned by Mr. Wang, Mr. Li, Mr. Du Haitao (杜海濤), Mr. Wang Chongling (王崇嶺), Shanghai Shiao, Hefei Shuimu, Shaanxi Big Data and Shanghai Wangyue as to 55.73%, 10.06%, 8.60%, 6.00%, 7.74%, 4.00%, 4.00% and 3.87%, respectively.

Listing on the NEEQ and capital increase

To improve the brand awareness and corporate governance of Ophyer Technology as well as to expand its financial resources, in 2017, Ophyer Technology decided to apply for the listing on the NEEQ. On July 14, 2017, all of the 1,937,984 issued shares of Ophyer Technology were listed on the NEEQ. Pursuant to the shareholders’ resolution passed on November 19, 2017, the total issued shares of Ophyer Technology was increased from 1,937,984 shares to 9,061,000 shares and its registered capital was increased from RMB1,937,984 to RMB9,061,000.

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Delisting from the NEEQ

To implement our future business strategy as well as to explore for a [REDACTED] on other stock exchanges to tap into capital markets with broader investor base, on August 9, 2019, the then shareholders of Ophyer Technology resolved to apply for delisting of the shares of Ophyer Technology from the NEEQ. On August 27, 2019, the shares of Ophyer Technology were delisted from the NEEQ. Based on the last trading share price of Ophyer Technology of RMB38.63 before it was delisted from the NEEQ, its market capitalization was approximately RMB350 million.

Assuming an [REDACTED] of [REDACTED] per [REDACTED] (being the mid-point of the [REDACTED] of [REDACTED] to [REDACTED] per [REDACTED]), the expected market capitalization of our Company immediately upon the [REDACTED] is approximately [REDACTED] (assuming the [REDACTED] is not exercised and without taking into account any Shares to be issued upon the exercise of options which may be granted under the [REDACTED] Share Option Scheme). The expected market capitalization under the [REDACTED] is determined after taking into account primarily (i) the shift of our focus from games and games related businesses to AR/VR marketing services; (ii) the performance and growth of our Group during the Track Record Period, which is reflected from the significant increase of our revenue from approximately RMB250.9 million and gross profit of approximately RMB75.3 million for the year ended December 31, 2019, to approximately RMB595.3 million and gross profit of approximately RMB175.5 million for the year ended December 31, 2021; (iii) the [REDACTED] Investments made to Ophyer Technology and our Company; (iv) the business prospect of our Group; and (v) the current valuation of comparable companies [REDACTED] on the Stock Exchange. Having considered the above factors in determining the expected market capitalization of our Company under the [REDACTED], the Sole Sponsor is of the view that such expected market capitalization is fair and reasonable.

Immediately after delisting from the NEEQ, the shareholding structure of Ophyer Technology is set out as below:

Shareholders	Shareholdings	Percentage of shareholding
Mr. Wang	4,731,516	52.22%
Mr. Li	684,718	7.56%
Shanghai Shiao ^(Note)	701,321	7.74%
Shanghai Wangyue ^(Note)	350,661	3.87%
Shandong Dingshang	906,000	10.00%
Mr. Wang Chongling (王崇嶺)	543,660	6.00%
Mr. Du Haitao (杜海濤)	418,248	4.62%
Hefei Shuimu	362,438	4.00%
Shaanxi Big Data	362,438	4.00%
Total	9,061,000	100.00%

Note: Shanghai Shiao and Shanghai Wangyue are both limited partnerships ultimately held as to 85% by Mr. Wang (the general partner) and 15% by Mr. Li (the limited partner).

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As advised by our PRC Legal Advisors, Ophyer Technology, all its then operating subsidiaries and controlled entities had been in compliance with all applicable PRC securities laws and regulations and rules and regulations of the NEEQ in all material respects and Ophyer Technology, all its then operating subsidiaries and controlled entities had not been subject to any penalties imposed by the NEEQ during the period of its listing on the NEEQ, and the delisting of Ophyer Technology from the NEEQ has fulfilled the required procedures. As advised by our PRC Legal Advisors, there has been no breach or suspected breach of the rules and regulations of the NEEQ by, or any disciplinary action by any relevant law enforcement authority or regulation against, Ophyer Technology, all its then operating subsidiaries and controlled entities, its shareholders or its directors during the period of its quotation on the NEEQ up to the date of delisting. Our Directors further confirm that there is no matter that needs to be brought to the attention of the regulators and investors in relation to Ophyer Technology’s listing on and delisting from the NEEQ mentioned above.

Based on the opinion of our PRC Legal Advisors, the due diligence conducted by the Sole Sponsor and our Directors’ confirmation, the Sole Sponsor is of the view that (i) Ophyer Technology, all its then operating subsidiaries and controlled entities had been in compliance with all applicable PRC securities laws and regulations and rules and regulations of the NEEQ in all material respects; (ii) Ophyer Technology, all its then operating subsidiaries and controlled entities had not been subject to any penalties imposed by the NEEQ; and (iii) there has been no breach of the rules and regulations of the NEEQ by, or any disciplinary action by any relevant law enforcement authority or regulation against, Ophyer Technology, all its then operating subsidiaries and controlled entities, its controlling shareholders or its directors during the period of its quotation on the NEEQ up to the date of delisting. There is no matter that needs to be brought to the attention of the regulators and investors of the Company in relation to Ophyer Technology’s listing on and delisting from the NEEQ.

[REDACTED] Investments

Between July 2020 and November 2021, Ophyer Technology entered into various capital increase agreements with our [REDACTED] Investors and there were various share transfers among the then shareholders of Ophyer Technology and our [REDACTED] Investors. Our Company also entered into a capital contribution agreement with a [REDACTED] Investor. See the paragraph headed “— [REDACTED] Investments” below for further details.

Hupo Jinyuan

Hupo Jinyuan was established as a limited liability company on March 29, 2011 under the name of Beijing Hupo Jinyuan Technology Co., Ltd.* (北京琥珀金源科技有限公司) under the laws of the PRC with an initial registered capital of RMB500,000. Upon establishment, Hupo Jinyuan was held as to 50% and 50% by Mr. Wang and Mr. Li, respectively.

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On September 19, 2011, pursuant to a nomination agreement dated September 13, 2011, Mr. Wang transferred all his interests in Hupo Jinyuan to Ms. Tang Xiuzhen (湯秀珍), his mother, as a nominee, as Mr. Wang wanted to focus on the strategic development of Hupo Jinyuan and therefore involved Ms. Tang Xiuzhen (湯秀珍) to handle the administrative matters of Hupo Jinyuan. Under such nominee arrangement, Mr. Wang retained all rights, benefits and responsibilities arising from the interests in Hupo Jinyuan, including but not limited to voting and dividend rights. Ms. Tang Xiuzhen (湯秀珍) did not participate in the operation and management of Hupo Jinyuan, and Mr. Wang was responsible for major business operations, personnel changes and major financial management issues of Hupo Jinyuan. As advised by our PRC Legal Advisors, such nominee arrangement did not contravene the applicable PRC laws and regulations. On June 29, 2016, as part of the restructuring of Ophyer Technology, Ms. Tang Xiuzhen (湯秀珍) (at the direction of Mr. Wang) and Mr. Li transferred all of their interests in Hupo Jinyuan to Ophyer Technology at a consideration of RMB200,000 and RMB200,000, respectively. The considerations were agreed by the parties with reference to the paid up registered capital of Hupo Jinyuan and was fully settled on August 5, 2016. Upon completion of the transfers, Hupo Jinyuan became a wholly-owned subsidiary of Ophyer Technology.

On July 17, 2020, Hupo Jinyuan was renamed to its current name, Beijing Hupo Jinyuan Media Co., Ltd* (北京琥珀金源傳媒有限公司), and the registered capital of Hupo Jinyuan increased from RMB500,000 to RMB10,000,000.

Zhongrunxing

Zhongrunxing was established as a limited liability company on November 13, 2017 under the laws of the PRC with an unpaid initial registered capital of RMB3,000,000. Upon establishment, Zhongrunxing was held as to 50% and 50% by Ms. Wu Xiaoyan (吳曉燕) and Mr. Xu Zhiyong (徐智勇), respectively, both being Independent Third Parties.

On November 6, 2018, Ophyer Technology acquired from Ms. Wu Xiaoyan (吳曉燕) and Mr. Xu Zhiyong (徐智勇) all their interests in Zhongrunxing, considering the business prospect of the production of animation videos and the fact that Zhongrunxing holds the relevant license for such services. Such acquisition was conducted at nil consideration, after taking into account the fact that the registered capital of Zhongrunxing was unpaid at the relevant time, and Zhongrunxing did not have any business operation and had no profit or loss at the time of the transfers. Upon completion of the transfers, Zhongrunxing became a wholly-owned subsidiary of Ophyer Technology.

Shenzhen Huachuang

Shenzhen Huachuang was established as a limited liability company on January 12, 2021 under the laws of the PRC with an initial registered capital of RMB40,000,000. Upon establishment and as of the Latest Practicable Date, Shenzhen Huachuang was wholly-owned by Ophyer Technology.

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Beijing Xingshi

Beijing Xingshi was established as a limited liability company on April 10, 2020 under the laws of the PRC with an initial registered capital of RMB1,000,000, and the registered capital was increased to RMB10,000,000 on June 21, 2021. Upon establishment and as of the Latest Practicable Date, Beijing Xingshi was held as to 70% and 30% by Ophyer Technology and Weifang Weiting, respectively. Weifang Weiting is a limited partnership established under the laws of PRC on September 4, 2019. Weifang Weiting is held as to approximately 5% by Wang Yushan (王珏珊) (the general partner) and approximately 95% by Ms. Wang Jing (王晶) (the limited partner), all of whom are Independent Third Parties.

CONCERT PARTY AGREEMENT

On December 13, 2021, Mr. Wang and Mr. Li entered into a concert party agreement, pursuant to which Mr. Wang and Mr. Li confirmed, among other things, that since they became shareholders and/or beneficial owners of Ophyer Technology or any member of our Group, they have been cooperating and are parties acting in concert with respect to the matters of Ophyer Technology, and shall continue to do so until the termination of such concert party agreement, and that they have been and shall continue to give unanimous consent, approval or rejection on any material issues and decision in relation to the business of our Company and the relevant members of our Group.

REASONS FOR THE [REDACTED]

Our Board is of the view that the [REDACTED] will provide us with the necessary funding to further develop our business. We also believe that the [REDACTED] on the Stock Exchange will present us with an opportunity to further expand our investor base and broaden our access to capital markets.

[REDACTED] INVESTMENTS

The Onshore [REDACTED] Investments

To fund our rapid business expansion and broaden our shareholder base, Ophyer Technology underwent [REDACTED] Investments between 2020 and 2021.

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Round A Financing

On July 25, 2020, Mr. Wang Chongling (王崇嶺), Hefei Shuimu, Ms. Song Lifang (宋麗芳) and Ms. Yi Huimin (益惠敏) entered into a capital increase agreement with Mr. Wang and Ophyer Technology, pursuant to which Mr. Wang Chongling (王崇嶺), Hefei Shuimu, Ms. Song Lifang (宋麗芳) and Ms. Yi Huimin (益惠敏) invested RMB5,000,000, RMB3,000,000, RMB5,000,000 and RMB7,000,000 for approximately 0.93%, 0.56%, 0.93% and 1.30% of the shareholdings of Ophyer Technology, among which RMB87,125, RMB52,275, RMB87,125 and RMB121,975 were contributed to the registered capital of Ophyer Technology, respectively. The remaining amount of the above capital contributions were contributed to the capital reserve of Ophyer Technology. The considerations were fully settled on August 4, 2020, August 6, 2020, December 4, 2020 and February 25, 2021, respectively.

All the round A financing [REDACTED] Investors are Independent Third Parties. The considerations for the round A financing [REDACTED] Investments were determined after arm’s length negotiations with reference primarily to the then valuation of Ophyer Technology agreed between the parties and the long-term development potential of Ophyer Technology.

Immediately upon completion of the abovementioned shareholding changes, the shareholding structure of Ophyer Technology is set out as below:

Shareholders	Shareholdings	Percentage of shareholding
Mr. Wang	4,731,516	50.28%
Mr. Li	684,718	7.28%
Shanghai Shiao ⁽¹⁾	701,321	7.45%
Shanghai Wangyue ⁽¹⁾	350,661	3.73%
Shandong Dingshang	906,000	9.63%
Mr. Wang Chongling (王崇嶺) ⁽²⁾	630,785	6.70%
Mr. Du Haitao (杜海濤)	418,248	4.44%
Hefei Shuimu ⁽²⁾	414,713	4.41%
Shaanxi Big Data	362,438	3.85%
Ms. Yi Huimin (益惠敏) ⁽²⁾	121,975	1.30%
Ms. Song Lifang (宋麗芳) ⁽²⁾	87,125	0.93%
Total	9,409,500	100.00%

Notes:

- Shanghai Shiao and Shanghai Wangyue are both limited partnerships ultimately held as to 85% by Mr. Wang (the general partner) and 15% by Mr. Li (the limited partner).
- Round A financing [REDACTED] Investors consist of Mr. Wang Chongling (王崇嶺), Hefei Shuimu, Ms. Song Lifang (宋麗芳) and Ms. Yi Huimin (益惠敏).

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Round A+ Financing

1. Capital increases

On December 2, 2020, Saifu Dynamic entered into a capital increase agreement with Ophyer Technology, Mr. Wang, Shanghai Shiao and Shanghai Wangyue and Mr. Li, pursuant to which Saifu Dynamic invested RMB30,000,000 for approximately 4.76% of the shareholding of Ophyer Technology, among which RMB470,475 was contributed to the registered capital of Ophyer Technology. The consideration was fully settled on December 31, 2020.

On January 25, 2021, each of Tongchuang Weiye, Guochuang Feitian and Kaiyuan Future entered into separate capital increase agreements with Ophyer Technology Mr. Wang, Shanghai Shiao and Shanghai Wangyue, pursuant to which Tongchuang Weiye, Guochuang Feitian and Kaiyuan Future invested RMB45,000,000, RMB10,000,000 and RMB10,000,000 for approximately 6.43%, 1.43% and 1.43% of the shareholdings of Ophyer Technology, among which RMB705,712.5, RMB156,825 and RMB156,825 were contributed to the registered capital of Ophyer Technology, respectively. The considerations were fully settled on April 16, 2021, March 23, 2021 and March 5, 2021, respectively.

On January 27, 2021, Grand Canal (Nanjing) entered into a capital increase agreement with Ophyer Technology, Mr. Wang, Shanghai Shiao and Shanghai Wangyue, pursuant to which Grand Canal (Nanjing) invested RMB30,000,000 for approximately 4.14% of the shareholding of Ophyer Technology, and RMB470,475 was contributed to the registered capital of Ophyer Technology. The consideration was fully settled on May 31, 2021.

The remaining amount of the above capital contributions were contributed to the capital reserve of Ophyer Technology.

2. Share transfers

On February 1, 2021 and February 2, 2021, Shandong Dingshang transferred approximately 6.88% and approximately 2.30% of the shareholdings of Ophyer Technology to Xi’an Zhiyao and Xi’an Biyue at considerations of RMB30,000,000 and RMB10,000,000, respectively. The considerations were fully settled on March 3, 2021 and February 22, 2021, respectively.

All the round A+ financing [REDACTED] Investors are Independent Third Parties. The considerations for the round A+ financing [REDACTED] Investments were determined after arm’s length negotiations with reference primarily to the then valuation of Ophyer Technology agreed between the parties.

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Immediately upon completion of the abovementioned shareholding changes, the shareholding structure of Ophyer Technology is set out as below:

Shareholders	Shareholdings	Percentage of shareholding
Mr. Wang	4,731,516	41.61%
Mr. Li	684,718	6.02%
Shanghai Shiao ⁽¹⁾	701,321	6.17%
Shanghai Wangyue ⁽¹⁾	350,661	3.08%
Tongchuang Weiye ⁽³⁾	705,713	6.20%
Xi’an Zhiyao ⁽³⁾	679,500	5.98%
Mr. Wang Chongling (王崇嶺) ⁽²⁾	630,785	5.55%
Saifu Dynamic ⁽³⁾	470,475	4.14%
Grand Canal (Nanjing) ⁽³⁾	470,475	4.14%
Mr. Du Haitao (杜海濤)	418,248	3.68%
Hefei Shuimu ⁽²⁾	414,713	3.65%
Shaanxi Big Data	362,438	3.19%
Xi’an Biyue ⁽³⁾	226,500	1.99%
Guochuang Feitian ⁽³⁾	156,825	1.38%
Kaiyuan Future ⁽³⁾	156,825	1.38%
Ms. Yi Huimin (益惠敏) ⁽²⁾	121,975	1.07%
Ms. Song Lifang (宋麗芳) ⁽²⁾	87,125	0.77%
Total	11,369,813	100.00%

Notes:

- Shanghai Shiao and Shanghai Wangyue are both limited partnerships ultimately held as to 85% by Mr. Wang (the general partner) and 15% by Mr. Li (the limited partner).
- Round A financing [REDACTED] Investors consist of Mr. Wang Chongling (王崇嶺), Hefei Shuimu, Ms. Song Lifang (宋麗芳) and Ms. Yi Huimin (益惠敏).
- Round A+ financing [REDACTED] Investors consist of Saifu Dynamic, Tongchuang Weiye, Guochuang Feitian, Kaiyuan Future, Grand Canal (Nanjing), Xi’an Zhiyao and Xi’an Biyue.

Round B Financing

On April 12 2021, Xi’an Biyue transferred approximately 1.93% of the shareholding of Ophyer Technology to Ningbo Midu at a consideration of RMB9,000,000. The consideration was fully settled on May 7, 2021.

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On April 23, 2021, April 23, 2021 and April 24, 2021, Xi’an Zhiyao transferred approximately 0.48%, 0.96% and 0.36% of the shareholdings of Ophyer Technology to Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思) and Tianjin Xinghuo at considerations of RMB2,250,000, RMB4,500,000 and RMB2,610,000, respectively. The considerations were fully settled on November 26, 2021, November 26, 2021 and June 25, 2021, respectively.

All the round B financing [REDACTED] Investors are Independent Third Parties. The considerations for the round B financing [REDACTED] Investments were determined after arm’s length negotiations with reference primarily to the then valuation of Ophyer Technology agreed between the parties.

Immediately upon completion of the abovementioned shareholding changes, the shareholding structure of Ophyer Technology is set out as below:

Shareholders	Shareholdings	Percentage of shareholding
Mr. Wang	4,731,516	41.61%
Mr. Li	684,718	6.02%
Shanghai Shiao ⁽¹⁾	701,321	6.17%
Shanghai Wangyue ⁽¹⁾	350,661	3.08%
Tongchuang Weiye ⁽³⁾	705,713	6.20%
Mr. Wang Chongling (王崇嶺) ⁽²⁾	630,785	5.55%
Xi’an Zhiyao ⁽³⁾	475,079	4.18%
Saifu Dynamic ⁽³⁾	470,475	4.14%
Grand Canal (Nanjing) ⁽³⁾	470,475	4.14%
Mr. Du Haitao (杜海濤)	418,248	3.68%
Hefei Shuimu ⁽²⁾	414,713	3.65%
Shaanxi Big Data	362,438	3.19%
Ningbo Midu ⁽⁴⁾	219,555	1.93%
Guochuang Feitian ⁽³⁾	156,825	1.38%
Kaiyuan Future ⁽³⁾	156,825	1.38%
Ms. Yi Huimin (益惠敏) ⁽²⁾	121,975	1.07%
Ms. Peng Si (彭思) ⁽⁴⁾	108,993	0.96%
Ms. Song Lifang (宋麗芳) ⁽²⁾	87,125	0.77%
Ms. Li Shu Lan (李淑蘭) ⁽⁴⁾	54,497	0.48%
Tianjin Xinghuo ⁽⁴⁾	40,931	0.36%
Xi’an Biyue ⁽³⁾	6,945	0.06%
Total	11,369,813	100.00%

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Notes:

1. Shanghai Shiao and Shanghai Wangyue are both limited partnerships ultimately held as to 85% by Mr. Wang (the general partner) and 15% by Mr. Li (the limited partner).
2. Round A financing [REDACTED] Investors consist of Mr. Wang Chongling (王崇嶺), Hefei Shuimu, Ms. Song Lifang (宋麗芳) and Ms. Yi Huimin (益惠敏).
3. Round A+ financing [REDACTED] Investors consist of Saifu Dynamic, Tongchuang Weiye, Guochuang Feitian, Kaiyuan Future, Grand Canal (Nanjing), Xi'an Zhiyao and Xi'an Biyue.
4. Round B financing [REDACTED] Investors consist of Ningbo Midu, Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思) and Tianjin Xinghuo.

Round C Financing

1. Capital increases

On September 24, 2021, Zhongtong Xinyuan entered into a capital increase agreement with Ophyer Technology, Mr. Wang, Shanghai Shiao and Shanghai Wangyue, pursuant to which Zhongtong Xinyuan invested RMB10,000,000 for approximately 0.71% of shareholding of Ophyer Technology, among which RMB81,213 was contributed to the registered capital of Ophyer Technology. The consideration was fully settled on September 29, 2021.

On October 19, 2021, Nanchang Xiaolan entered into a capital increase agreement with Ophyer Technology, Mr. Wang, Shanghai Shiao and Shanghai Wangyue, pursuant to which Nanchang Xiaolan invested RMB15,000,000 for approximately 1.06% of shareholding of Ophyer Technology, among which RMB121,819 was contributed to the registered capital of Ophyer Technology. The consideration was fully settled on October 22, 2021.

The remaining amount of the above capital contributions made by our round C financing [REDACTED] Investors were contributed to the capital reserve of Ophyer Technology.

2. Share transfers

On August, 20, 2021, Mr. Du Haitao (杜海濤), through Shanghai Peishang Enterprise Management Consulting Center (Limited Partnership)* (上海佩尚企業管理諮詢中心(有限合夥)), a limited partnership held as to 99% by him, transferred approximately 3.68% of the shareholding of Ophyer Technology to Ms. Li Xiujie (李秀傑) at a consideration of RMB1,839,300. The considerations was fully settled on November 25, 2021.

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Between September 28, 2021 and October 25, 2021, Shanghai Shiao transferred approximately 0.74%, 1%, 1% and 1.5% of the shareholdings of Ophyer Technology to Zhongtong Xinyuan, Mr. Liang Hui (梁輝), Shenzhen Chestnut and Shenzhen Linghang at considerations of RMB7,400,000, RMB10,000,000, RMB10,000,000 and RMB15,000,000, respectively. The considerations were fully settled on October 8, 2021, November 3, 2021, October 28, 2021 and October 27, 2021, respectively.

On October 31, 2021, Mr. Wang Chongling (王崇嶺) transferred approximately 1.3% of the shareholding of Ophyer Technology to Jinan Taiyue at a consideration of RMB15,000,000. The consideration was fully settled on November 1, 2021.

On October 28, 2021 and November 11, 2021, Shanghai Shiao transferred approximately 0.44% and 1.47% of the shareholdings of Ophyer Technology to Shanghai Zheji and Hainan Yilin at considerations of RMB4,354,200 and RMB22,000,000, respectively. The considerations were fully settled on November 26, 2021 and November 19, 2021, respectively.

All the Round C financing [REDACTED] Investors are Independent Third Parties. The considerations for the Round C financing [REDACTED] Investments were determined after arm’s length negotiations with reference primarily to the then valuation of Ophyer Technology agreed among the parties and the long term development potential of Ophyer Technology.

Immediately upon completion of the abovementioned shareholding changes, the shareholding structure of Ophyer Technology is set out as below:

Shareholders	Shareholdings	Percentage of shareholding
Mr. Wang	4,731,516	40.88%
Mr. Li	684,718	5.92%
Shanghai Wangyue ⁽¹⁾	350,661	3.03%
Tongchuang Weiye ⁽³⁾	705,713	6.10%
Mr. Wang Chongling (王崇嶺) ⁽²⁾	482,483	4.17%
Xi’an Zhiyao ⁽³⁾	475,079	4.11%
Saifu Dynamic ⁽³⁾	470,475	4.07%
Grand Canal (Nanjing) ⁽³⁾	470,475	4.07%
Ms. Li Xiujie (李秀傑) ⁽⁵⁾	418,248	3.61%
Hefei Shuimu ⁽²⁾	414,713	3.58%
Shaanxi Big Data	362,438	3.13%
Ningbo Midu ⁽⁴⁾	219,555	1.90%
Shenzhen Linghang ⁽⁵⁾	170,547	1.47%
Hainan Yilin ⁽⁵⁾	169,735	1.47%
Zhongtong Xinyuan ⁽⁵⁾	165,350	1.43%
Guochuang Feitian ⁽³⁾	156,825	1.36%
Kaiyuan Future ⁽³⁾	156,825	1.36%
Jinan Taiyue ⁽⁵⁾	148,302	1.28%
Ms. Yi Huimin (益惠敏) ⁽²⁾	121,975	1.05%
Nanchang Xiaolan ⁽⁵⁾	121,819	1.05%

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Shareholders	Shareholdings	Percentage of shareholding
Mr. Liang Hui (梁輝) ⁽⁵⁾	113,698	0.98%
Shenzhen Chestnut ⁽⁵⁾	113,698	0.98%
Ms. Peng Si (彭思) ⁽⁴⁾	108,993	0.94%
Ms. Song Lifang (宋麗芳) ⁽²⁾	87,125	0.75%
Ms. Li Shu Lan (李淑蘭) ⁽⁴⁾	54,497	0.47%
Shanghai Zheji ⁽⁵⁾	49,506	0.43%
Tianjin Xinghuo ⁽⁴⁾	40,931	0.35%
Xi’an Biyue ⁽³⁾	6,945	0.06%
Total	11,572,845	100.00%

Notes:

1. Shanghai Wangyue is a limited partnership held as to 85% by Mr. Wang (the general partner) and 15% by Mr. Li (the limited partner).
2. Round A financing [REDACTED] Investors consist of Mr. Wang Chongling (王崇嶺), Hefei Shuimu, Ms. Song Lifang (宋麗芳) and Ms. Yi Huimin (益惠敏).
3. Round A+ financing [REDACTED] Investors consist of Saifu Dynamic, Tongchuang Weiye, Guochuang Feitian, Kaiyuan Future, Grand Canal (Nanjing), Xi’an Zhiyao and Xi’an Biyue.
4. Round B financing [REDACTED] Investors consist of Ningbo Midu, Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思) and Tianjin Xinghuo.
5. Round C financing [REDACTED] Investors consist of Zhongtong Xinyuan, Nanchang Xiaolan, Ms. Li Xiujie (李秀傑), Mr. Liang Hui (梁輝), Shenzhen Chestnut, Shenzhen Linghang, Jinan Taiyue, Hainan Yilin and Shanghai Zheji.

The Offshore [REDACTED] Investment

On September 30, 2021, Mr. Wang King Cheong Tommy (王景昌) entered into a capital contribution agreement (as supplemented on October 8, 2021) with our Company, Ophyer Technology, Mr. Wang and Wang BVI, pursuant to which Mr. Wang King Cheong Tommy (王景昌) agreed to invest an amount equivalent to RMB2,482,767 in HKD or USD for approximately 0.34% of the shareholding of our Company. On November 24, 2021, Mr. Wang Chongling (王崇嶺) entered into a share transfer agreement with Mr. Wang King Cheong Tommy (王景昌), pursuant to which Mr. Wang Chongling (王崇嶺) agreed to transfer approximately 0.65% of the shareholding of Ophyer Technology, which will be reflected at our Company’s shareholding level, at a consideration of RMB6,390,000. The considerations were determined after arm’s length negotiations with reference to the long-term development potential of our Company and Ophyer Technology as agreed among the parties and were fully settled on November 29, 2021. Mr. Wang King Cheong Tommy (王景昌) is an Independent Third Party.

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Principal terms of the [REDACTED] Investments

The table below summarizes the principal terms of the [REDACTED] Investments:

Name of [REDACTED] Investor(s)	Date of agreement	Percentage of equity interest acquired immediately after the round of investment	Date of settlement	Consideration (RMB)	Cost per Share paid ^{(1),(3),(4)} (RMB)	Discount to the mid-point of the [REDACTED] ^{(2),(6)} %	Shareholding in our Company immediately upon completion of the [REDACTED] and the [REDACTED] (assuming non-exercise of [REDACTED], and without taking into account any Shares to be issued upon the exercise of options which may be granted under the [REDACTED] Share Option Scheme) %
Round A Financing							
Mr. Wang Chongling (王崇嶺)	July 25, 2020	6.70	August 4, 2020	5,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Hefei Shuimu	July 25, 2020	4.41	August 6, 2020	3,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Ms. Song Lifang (宋麗芳)	July 25, 2020	0.93	December 4, 2020	5,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Ms. Yi Huimin (益惠敏)	July 25, 2020	1.30	February 25, 2021	7,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Round A+ Financing							
Saifu Dynamic	December 2, 2020	4.14	December 31, 2020	30,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Tongchuang Weiye	January 25, 2021	6.20	April 16, 2021	45,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Guochuang Feitian	January 25, 2021	1.38	March 23, 2021	10,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Kaiyuan Future	January 25, 2021	1.38	March 5, 2021	10,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Grand Canal (Nanjing)	January 27, 2021	4.14	May 31, 2021	30,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Xi'an Zhiyao	February 1, 2021	5.98	March 3, 2021	30,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Xi'an Bijue	February 2, 2021	1.99	February 22, 2021	10,000,000	[REDACTED]	[REDACTED]	[REDACTED]

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Name of [REDACTED] Investor(s)	Date of agreement	Percentage of equity interest acquired immediately after the round of investment	Date of settlement	Consideration	Cost per Share paid ⁽¹⁾⁽³⁾⁽⁴⁾	Discount to the mid-point of the ⁽²⁾⁽⁶⁾	Shareholding in our Company immediately upon completion of the [REDACTED] and the [REDACTED] (assuming non-exercise of [REDACTED]), and without taking into account any Shares to be issued upon the exercise of options which may be granted under the [REDACTED] Share Option Scheme)
Round B Financing							
Ningbo Midu	April 12, 2021	1.93	May 7, 2021	9,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Ms. Li Shu Lan (李淑蘭)	April 23, 2021	0.48	November 26, 2021	2,250,000	[REDACTED]	[REDACTED]	[REDACTED]
Ms. Peng Si (彭思)	April 23, 2021	0.96	November 26, 2021	4,500,000	[REDACTED]	[REDACTED]	[REDACTED]
Tianjin Xinghuo	April 24, 2021	0.36	June 25, 2021	2,610,000	[REDACTED]	[REDACTED]	[REDACTED]
Round C Financing							
Ms. Li Xiujie (李秀傑)	August 20, 2021	3.61	November 25, 2021	1,839,300	[REDACTED]	[REDACTED]	[REDACTED]
Zhongtong Xinyuan	September 24, 2021	1.43	October 8, 2021	10,000,000	[REDACTED]	[REDACTED]	[REDACTED]
				(with respect to capital increase)			
	September 28, 2021			7,400,000			
				(with respect to share transfer)			
Nanchang Xiaolan	October 19, 2021	1.05	October 22, 2021	15,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Shenzhen Chestnut	October 22, 2021	0.98	October 28, 2021	10,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Shenzhen Linghang	October 22, 2021	1.47	October 27, 2021	15,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Mr. Liang Hui (梁輝)	October 25, 2021	0.98	November 3, 2021	10,000,000	[REDACTED]	[REDACTED]	[REDACTED]
Jinan Taiyue	October 31, 2021	1.28	November 1, 2021	15,000,000	[REDACTED]	[REDACTED]	[REDACTED]

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Name of [REDACTED] Investor(s)	Date of agreement	Percentage of equity interest acquired immediately after the round of investment	Date of settlement	Consideration	Cost per Share paid ⁽¹⁾⁽³⁾⁽⁴⁾	Discount to the mid-point of the ⁽²⁾⁽⁶⁾	Shareholding in our Company immediately upon completion of the [REDACTED] and the [REDACTED] (assuming non-exercise of [REDACTED], and without taking into account any Shares to be issued upon the exercise of options which may be granted under the [REDACTED] Share Option Scheme)
Shanghai Zheji	October 28, 2021	0.43	November 26, 2021	4,354,200	[REDACTED]	[REDACTED]	[REDACTED]
Hainan Yilin	November 11, 2021	1.47	November 19, 2021	22,000,000	[REDACTED]	[REDACTED]	[REDACTED]
The offshore [REDACTED]							
Investment							
Mr. Wang King Cheong Tommy (王景昌)	September 30, 2021 (with respect to capital contribution) November 24, 2021 (with respect to share transfer)	0.99	November 29, 2021	2,482,767 (with respect to capital contribution) 6,390,000 (with respect to share transfer)	[REDACTED]	[REDACTED]	[REDACTED]

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Notes:

- (1) Calculated by dividing the total consideration paid by the total number of Shares immediately after the completion of the [REDACTED].
- (2) The discount to the mid-point of the [REDACTED] is calculated based on the assumption that the mid-point of the [REDACTED] is [REDACTED] per Share, assuming the indicative [REDACTED] of [REDACTED] to [REDACTED] per Share, and that the [REDACTED] is not exercised.
- (3) (a) Mr. Wang Chongling (王崇嶺), Hefei Shuimu, Ms. Song Lifang (宋麗芳), Ms. Yi Huimin (益惠敏), Saifu Dynamic, Tongchuang Weiye, Guochuang Feitian, Kaiyuan Future, Grand Canal (Nanjing), Nanchang Xiaolan made their [REDACTED] Investments by way of capital increases to Ophyer Technology; (b) Xi’an Zhiyao, Xi’an Biyue, Ningbo Midu, Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思), Tianjin Xinghuo, Ms. Li Xiujie (李秀傑), Mr. Liang Hui (梁輝), Shenzhen Chestnut, Shenzhen Linghang, Jinan Taiyue, Shanghai Zheji, Hainan Yilin made their [REDACTED] Investments by way of share transfers among shareholders of Ophyer Technology and these [REDACTED] Investors; and (c) Zhongtong Xinyuan and Mr. Wang King Cheong Tommy (王景昌) made their [REDACTED] Investments by way of both capital increases and share transfers among shareholders of Ophyer Technology and these [REDACTED] Investors.
- (4) Generally, [REDACTED] Investments by way of capital increases to Ophyer Technology at an earlier stage bear a relatively higher risk and face more uncertainties in terms of our Company’s progress in its preparation for the [REDACTED], and accordingly the considerations had relatively higher discounted rates. For the [REDACTED] Investments made by (a) Xi’an Zhiyao and Xi’an Biyue under round A+ financing; (b) all [REDACTED] Investors under round B financing; (c) all [REDACTED] Investors except Nanchang Xiaolan under round C financing; and (d) Mr. Wang King Cheong Tommy (王景昌) under the offshore [REDACTED] Investment, these [REDACTED] Investments involved investments made by way of share transfers among shareholders of Ophyer Technology and these [REDACTED] Investors, and the considerations were based on arm’s length negotiations among the parties. The Company did not participate in the relevant negotiation processes for the considerations with respect to these share transfers. To the best knowledge information and belief of our Directors after having made all reasonable enquiries, (i) the cost per share for the [REDACTED] Investments made by Xi’an Zhiyao and Xi’an Biyue were determined with reference to those of the capital increases under the same round of financing, factoring in a discount for share transfers; (ii) the cost per share for the share transfers under round B financing were determined with reference to those of the share transfers under round A+ financing; (iii) the cost per share for the share transfers under round C financing were in a broadly similar price range, except for those of Jinan Taiyue and Hainan Yilin, which were relatively higher as such investments were negotiated at a time closing to the [REDACTED]; and (iv) the cost per share for the offshore [REDACTED] Investment by Mr. Wang King Cheong Tommy (王景昌) was relatively lower than those of the other [REDACTED] Investments made at similar times, taking into account the benefits brought to our Company for the funds to our offshore bank account and the administrative convenience to our Company.
- (5) To the best knowledge of the Company, for the [REDACTED] Investment made by Ms. Li Xiujie (李秀傑), the consideration for the share transfer was agreed among the parties in 2019 and the valuation of Ophyer Technology was relatively low then, thus had a relatively higher discount rate.
- (6) The difference between the valuations for the [REDACTED] Investments and the [REDACTED] valuation was mainly resulted from (a) the increased liquidity in Shares upon the [REDACTED], whereas Ophyer Technology and our Company was a private company at the time of negotiating the [REDACTED] Investments, and therefore a premium is factored into the [REDACTED] valuation to reflect such difference in liquidity; (b) the financial performance of our Group for the year ended December 31, 2021 and the expected financial performance of our Group after the [REDACTED]; (c) the strategic benefits that our [REDACTED] Investors may bring to our Company as set out in the paragraph headed “Strategic benefits” below; and (d) the creation of our own Metaverse platform. These factors contributed to a relatively higher [REDACTED] valuation of our Company. For instance, the valuations for the [REDACTED] Investments under round C financing, other

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than that for Ms. Li Xiujie (李秀傑), were primarily determined with reference to (i) the considerations for the [REDACTED] Investments for round B financing, due to the proximity in time between these two rounds of [REDACTED] Investments; (ii) the valuation on the fair value of our Shares performed by our management at the relevant times; and (iii) and financial performance of our Group for the year ended December 31, 2020. Hence, there was such discount to the [REDACTED].

Strategic benefits

Our Directors are of the view that the [REDACTED] Investors have strengthened our Company’s shareholder base and our capital, and the funds raised from the [REDACTED] Investors were and/or will be used for our business operations and future business development. Our Directors are also of the view that our Company would benefit from our [REDACTED] Investors’ business resources, network, knowledge and experience, and potential business opportunities, co-operations and benefits that may be provided by them. Our [REDACTED] Investors include investment funds which are experienced in investing in the AR/VR industry, for example Hefei Shuimu and Saifu Dynamic, which provide a backdrop for their interactions with and advice to our Company. At the relevant time of the investment, our Directors believed that our Group could benefit from the investors’ industry insights and guidance in formulation of our business and expansion strategies. In addition, some [REDACTED] Investors, for example Grand Canal (Nanjing), Ningbo Midu and Nanchang Xiaolan, invested in our Group as they are interested or confident in future cooperations with us, and therefore our Directors believed that they can help us achieve business synergies through enhanced business cooperation. Further, our Directors were of the view that the [REDACTED] Investors’ investment in our Group was an endorsement of our strength and prospects. Our Directors were also of the view that our Group could benefit from the [REDACTED] Investors’ commitment to our Group as their investment demonstrates their confidence and endorsement of the performance, management and prospects of our Group.

[REDACTED] from the [REDACTED] Investments

As of the Latest Practicable Date, approximately [REDACTED] of the [REDACTED] from the [REDACTED] Investments had been utilized for (i) our business operations including prepayments for advertising traffic acquisition, and (ii) staff costs. The rest of such [REDACTED] will be utilized for prepayments for advertising traffic acquisition and future business development.

[REDACTED] period

Each of the [REDACTED] Investors is subject to a [REDACTED] period of six months after the [REDACTED].

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Special rights of the [REDACTED] Investors

In connection with the [REDACTED] Investments, our [REDACTED] Investors were granted certain special rights in relation to Ophyer Technology, including: (i) preemptive rights, (ii) redemption rights, (iii) rights of first refusal, (iv) share co-sale rights, (v) performance compensation rights, (vi) information and inspection rights, (vii) anti-dilution rights, and (viii) liquidation preference.

In anticipation of the [REDACTED], these special rights granted to our [REDACTED] Investors were terminated before or immediately before our Company’s application for the [REDACTED] and will only revive if such application is withdrawn, expired or cancelled.

Offshore Restructuring

As part of the Reorganization, Shares were allotted and issued to the offshore investment vehicles of the onshore [REDACTED] Investors to reflect their respective equity interest in Ophyer Technology. See the paragraph headed “— Reorganization — Allotment and issue of Shares to offshore holding companies” above for further details.

Information regarding our [REDACTED] Investors

Hefei Shuimu

Hefei Shuimu is a limited partnership established under the laws of the PRC on July 19, 2016 and registered with Asset Management Association of China (registration number: SS1003), which focuses on investments in the information technology industry, advanced technology, creative and environmentally friendly projects. Hefei Shuimu is held as to approximately 0.62% by Anhui Tsing Ventures Investment Management LP* (安徽水木投資管理中心(有限合夥)) (“**Anhui Shuimu**”) (its general partner), and approximately 47.33%, 47.33% and 4.73% by the following limited partners respectively: Hefei Dongxin Construction Investment Holding Group Co., Ltd.* (合肥市東鑫建設投資控股集團有限公司) (“**Hefei Dongxin**”), Anhui High-tech Industry Investment Co., Ltd.* (安徽省高新技術產業投資有限公司) (“**Anhui High-tech**”) and Anhui Fukun Automobile Insurance Agency Co., Ltd.* (安徽福坤汽車保險代理有限公司) (“**Anhui Fukun**”). The general partner of Anhui Shuimu is Beijing Qingkong Shuimu Investment Management Co., Ltd.* (北京清控水木投資管理有限公司), a limited liability company established under the laws of the PRC which primarily engages in equity investment and consultancy service, which, to the best knowledge of our Directors, is owned as to 90.00% by Tang Jingcao (唐勁草) and 10% by Luo Bin (羅斌), respectively. To the best knowledge of our Directors, (i) the ultimate beneficial owner of Hefei Dongxin is the Anhui Chaohu Economic Development Zone Management Committee; (ii) the ultimate beneficial owner of Anhui High-tech is the SASAC of the Anhui province; and (iii) Anhui Fukun is ultimately controlled by Wei Rui (魏蕪). Tang Jingcao has over 20 years of venture

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capital investment experience. Hefei Shuimu, its general partner and limited partners are Independent Third Parties. Hefei Shuimu became acquainted with our Group through Mr. Wang, and decided to invest in our Group as it is optimistic in our growth potential and future prospect.

Saifu Dynamic

Saifu Dynamic is a limited partnership established under the laws of the PRC on December 5, 2016 and registered with Asset Management Association of China (registration number: ST1111), which focuses on investments in technology, Internet, gaming and digital content services. Saifu Dynamic is held as to approximately 1.98% by Shenzhen Saifu Dynamic Equity Investment Fund Management Partnership (Limited Partnership)* (深圳市賽富動勢股權投資基金管理企業(有限合夥)) (“**Shenzhen Saifu**”) (the general partner), and approximately 26.98%, 22.48%, 13.49%, 7.64% and 5.37% by the limited partners China Merchants Securities Asset Management Co., Ltd.* (招商證券資產管理有限公司) (“**CMS Asset Management**”), Shenzhen Guiding Fund Investment Co., Ltd.* (深圳市引導基金投資有限公司) (“**Shenzhen Guiding Fund**”), Shenzhen Futian Guidance Fund Investment Co., Ltd.* (深圳市福田引導基金投資有限公司) (“**Shenzhen Futian Guidance Fund**”), Ningbo Meishan Free Trade Port Juxian Investment Partnership (Limited Partnership)* (寧波梅山保稅港區鉅獻投資合夥企業(有限合夥)) (“**Ningbo Meishan**”) and Shenzhen Pangu Jiu hao Equity Investment Center (Limited Partnership) (深圳市盤古玖號股權投資中心(有限合夥)) (“**Shenzhen Pangu**”). The remaining 22.06% interest are held by two corporates, six natural persons and five individual limited partners (each of whom holds less than 5% interest in Saifu Dynamic). The general partner of Shenzhen Saifu is Shenzhen Dynamic Investment Consulting Co., Ltd.* (深圳市動勢投資顧問有限公司) which is a limited liability company established under the laws of the PRC primarily engaging in investment and consultancy service and, to the best knowledge of our Directors, is owned by Jin Fengchun (金鳳春) as to 99.00% and Yu Shiyong (俞詩盈) as to 1.00%, both of which are Independent Third Parties. To the best knowledge of our Directors, (i) CMS Asset Management is a wholly owned subsidiary of China Merchant Securities Co., Ltd (SHA: 600999), which is ultimately controlled by the state council of the PRC; (ii) the beneficial owner of Shenzhen Guiding Fund is the Bureau of Finance of Shenzhen municipal government; (iii) the beneficial owner of Shenzhen Futian Guidance Fund is the Bureau of Finance of Shenzhen Futian district; (iv) Ningbo Meishan is ultimately controlled by Ni Jianda (倪建達); and (v) Shenzhen Pangu is ultimately controlled by Zhang Kaixing (張開興). Saifu Dynamic, its general partner and limited partners are Independent Third Parties. Saifu Dynamic became acquainted with our Group through the introduction by agencies, and decided to invest in our Group as it is optimistic in our growth potential and future prospect.

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Tongchuang Weiye

Tongchuang Weiye is a limited partnership established under the laws of the PRC on January 4, 2021 and registered with Asset Management Association of China (registration number: SQD652), which focuses on investments in healthcare and technology, media and telecommunication industries. Tongchuang Weiye is held as to approximately 2.00% by Shenzhen Cowin Jinxiu Asset Management Co., Ltd.* (深圳同創錦繡資產管理有限公司) (“**Shenzhen Cowin**”) (the general partner), and approximately 26.33%, 18.33%, 16.67%, 13.17%, 10.00%, 9.08% and 4.42% by the following limited partners respectively: Shandong New Kinetic Energy Fund Management Co., Ltd.* (山東省新動能基金管理有限公司) (“**Shandong New Kinetic**”), Qingdao Science and Technology Innovation Fund Partnership (Limited Partnership)* (青島市科技創新基金合夥企業(有限合夥)) (“**Qingdao Science and Technology**”), Qingdao Port and Shipping Industry Development Fund Partnership (Limited Partnership)* (青島港航產業發展基金合夥企業(有限合夥)) (“**Qingdao Port**”), Qingdao Tongchuang Zhijia Equity Investment Partnership (Limited Partnership)* (青島同創致佳股權投資合夥企業(有限合夥)) (“**Qingdao Tongchuang**”), Qingdao Ocean New Kinetic Energy Industry Investment Fund (Limited Partnership)* (青島市海洋新動能產業投資基金(有限合夥)) (“**Qingdao Ocean**”), Qingdao Chengyang District Sunshine Innovation Investment Co., Ltd.* (青島市城陽區陽光創新投資有限公司) (“**Qingdao Chengyang**”), and Qingdao Municipal Guiding Fund Investment Co., Ltd.* (青島市引導基金投資有限公司) (“**Qingdao Guiding Fund**”). Shenzhen Cowin is a limited liability company established under the laws of the PRC primarily engaging in equity investment and consultancy service and, to the best knowledge of our Directors, is a wholly-owned subsidiary of Shenzhen Cowin Asset Management Co., Ltd.* (深圳同創偉業資產管理股份有限公司) (“**Shenzhen Cowin**”), an investment company listed on the NEEQ (stock code: 832793), which in turn, to the best knowledge of our Directors, is ultimately controlled by Mr. Zhen Weihe (鄭偉鶴) and Ms. Huang Li (黃荔), both are Independent Third Parties. To the best knowledge of our Directors, (i) the ultimate beneficial owner of Shandong New Kinetic is the Bureau of Finance of Shandong province; (ii) there are only three ultimate beneficial owners which are interested in more than 10% partnership interest in Qingdao Science and Technology, namely the Bureau of Finance of Qingdao City, the Bureau of Finance of the Laoshan District of the Qingdao City and Shandong Provincial Department of Finance; (iii) Qingdao Port is ultimately controlled by the Bureau of Finance of Qingdao City; (iv) Qingdao Tongchuang are held as to 90% and 10% by Wang Haibo (王海波) and Shenzhen Cowin; (v) Qingdao Ocean is ultimately controlled by the SASAC of Qingdao City; (vi) Qingdao Chengyang is ultimately controlled by the SASAC of Chengyang District of Qingdao City; and (vii) Qingdao Guiding Fund is ultimately controlled by the Bureau of Finance of Qingdao City. Tongchuang Weiye, its general partner and limited partners are Independent Third Parties. Tongchuang Weiye became acquainted with our Group through personal acquaintances and decided to invest in our Group as it confident in the investment prospect of our Group.

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Guochuang Feitian

Guochuang Feitian is a limited partnership established under the laws of the PRC on January 18, 2021, which focuses on providing business management consulting services, information consulting services and AI public service platform technical consulting services. Guochuang Futian is held as to approximately 0.07% by Tianjin Anxintong Investment Co., Ltd.* (天津市安信通投資有限公司) (“**Tianjin Anxintong**”) (the general partner), and approximately 66.62%, 26.65% and 6.66%, by the following limited partners respectively: Mr. Wang Ziguang (王紫光), Mr. Wang Weidong (王衛東) and Ms. Sun Junyan (孫君艷). Tianjin Anxintong is a limited liability company established under the laws of the PRC primarily engaging in investment management and consultancy service and, to the best knowledge of our Directors, is owned by Zheng Caimei (鄭彩梅) as to 95.00% and Wang Lingqin (王靈芹) as to 5.00%, both of which are Independent Third Parties. Guochuang Feitian, its general partner and limited partners are Independent Third Parties. Zheng Caimei (鄭彩梅) came to know our Group through personal acquaintances and then established Guochuang Feitian for the purposes of investing in our Group, as she is confident in the development of our business.

Kaiyuan Future

Kaiyuan Future is a limited partnership established under the laws of the PRC on November 30, 2020, which focuses on private equity investments and asset management. Kaiyuan Future is held as to approximately 20% by Shanghai Kaiyuan Sichuang Investment Co., Ltd.* (上海開源思創投資有限公司) (“**Shanghai Kaiyuan**”) (the general partner), and approximately 40%, 30% and 10% by the following limited partners respectively: Future Television Co., Ltd.* (未來電視有限公司) (“**Future Television**”), Tianjin Technology Finance Holding Group Co., Ltd.* (天津科技融資控股集團有限公司) (“**Tianjin Technology**”) and Ningbo Meishan Free Trade Port Gejiu Investment Co., Ltd.* (寧波梅山保稅港區格久投資有限公司) (“**Ningbo Meishan**”). Shanghai Kaiyuan is a limited liability company established under the laws of the PRC primarily engaging in investment management and, to the best knowledge of our Directors, is ultimately controlled by the SASAC of the Shaanxi province. To the best knowledge of our Directors, (i) Future Television is ultimately controlled by the China Central Television; (ii) Tianjin Technology is ultimately controlled by the Tianjin Science and Technology Innovation and Development Center; and (iii) Ningbo Meishan is ultimately controlled by the SASAC of Shaanxi province. Kaiyuan Future, its general partner and limited partners are Independent Third Parties. Kaiyuan Future became acquainted with our Group through the introduction by other companies in the same industry, and decided to invest in our Group as it is optimistic about the investment return in our Group.

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Grand Canal (Nanjing)

Grand Canal (Nanjing) is a limited partnership established under the laws of the PRC on July 6, 2020, which focuses on investments in culture, tourism, Internet and e-commerce. Grand Canal (Nanjing) is held as to approximately 0.5% by Nanjing Cultural Investment Equity Investment Management Co., Ltd. * (南京文投股權投資管理有限公司) (“**Nanjing Cultural Investment**”) (the general partner), and approximately 50%, 25%, 20%, and 4.5% by the following limited partners respectively: Nanjing Industry Development Fund Co., Ltd.* (南京市產業發展基金有限公司) (“**Nanjing Industry Development**”), Jiangsu Grand Canal Cultural Tourism Development Fund (limited Partnership)* (江蘇省大運河文化旅遊發展基金(有限合夥)) (“**Jiangsu Grand Canal**”), Nanjing Fuzi Temple Culture Tour Group Co., Ltd.* (南京夫子廟文化旅遊集團有限公司) (“**Nanjing Fuzi Temple Culture**”) and Nanjing Wentou Equity Investment Fund (Limited Partnership)* (南京文投股權投資基金(有限合夥)) (“**Nanjing Wentou**”). Nanjing Cultural Investment is a limited liability company established under the laws of the PRC primarily engaging in equity investment management and, to the best knowledge of our Directors, is ultimately controlled by the Nanjing Municipal Finance Bureau, an Independent Third Party. To the best knowledge of our Directors, (i) Nanjing Industry Development is ultimately controlled by the Nanjing municipal government; (ii) Jiangsu Grand Canal is ultimately controlled by the government of Jiangsu province; (iii) Nanjing Fuzi Temple Culture is ultimately controlled by the SASAC of Qinhuai district of Nanjing municipal government; and (iv) Nanjing Wentou is ultimately controlled by the Bureau of Finance of Nanjing municipal government. Grand Canal (Nanjing), its general partner and limited partners are Independent Third Parties. Grand Canal (Nanjing) became acquainted with our Group through Mr. Wang, and decided to invest in our Group as it is confident in our Group, the industry of our business and is interested in potential future business cooperation with our Group in the cultural tourism sector.

Xi’an Zhiyao

Xi’an Zhiyao is a limited partnership established under the laws of the PRC on February 24, 2021, which focuses on business management, information consulting services and investment in healthcare, metaverse and artificial intelligence industries. Xi’an Zhiyao is held as to approximately 99% by Ms. Qiao Ru (喬茹) (the general partner) and approximately 1% by Ms. Qiao Yue (喬悅) (the limited partner). Xi’an Zhiyao, Ms. Qiao Ru (喬茹) and Ms. Qiao Yue (喬悅), to the best knowledge of our Directors, are Independent Third Parties. Xi’an Zhiyao became acquainted with our Group through personal acquaintances and decided to invest in our Group as it aligns with its investment objectives.

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Xi’an Biyue

Xi’an Biyue is a limited partnership established under the laws of the PRC on February 23, 2021, which focuses on business management, information consulting services and investment in consumption, mega-health and AR/VR industries. Xi’an Biyue is held as to approximately 99% by Ms. Cheng Bingyi (程炳宜) (the general partner) and approximately 1% by Mr. Wang Hui (王慧) (the limited partner). Xi’an Biyue, Ms. Cheng Bingyi (程炳宜) and Mr. Wang Hui (王慧), to the best knowledge of our Directors, are Independent Third Parties. Xi’an Biyue became acquainted with our Group through personal acquaintances and decided to invest in our Group as we are one of the leading companies in the AR/VR industry and it is confident in the future development of our business.

Tianjin Xinghuo

Tianjin Xinghuo is a limited partnership established under the laws of the PRC on March 18, 2021, which focuses on providing business management services and business management consulting services. Tianjin Xinghuo is held as to approximately 19.01% by Mr. Wang Xiufeng (王秀峰) (the general partner), and approximately 26.61%, 15.21%, 11.41%, 9.51%, 9.51%, 7.60% and 1.14% by the following limited partners respectively: Mr. Sun Cheng (孫辰), Mr. Zhao Zengguo (趙增國), Mr. Li Kewei (李科偉), Mr. Han Song (韓松), Mr. Wu Di (吳頤), Mr. Li Hailong (李海龍), and Mr. Gao Chao (高超). Tianjin Xinghuo, its general partner and limited partners are Independent Third Parties. Mr. Wang Xiufeng (王秀峰) came to know our Group through personal acquaintances, and Tianjin Xinghuo decided to invest in our Group as it is confident in the future prospect of the industry of our Group.

Ningbo Midu

Ningbo Midu is a limited partnership established under the laws of the PRC on May 30, 2018, which focuses on industrial investment, project investment, asset management, and investment in biomedicine. Ningbo Midu is held as to approximately 10.75% by Tibet Midu Asset Management Co., Ltd.* (北京米度私募基金管理有限公司) (“**Tibet Midu**”) (the general partner), and approximately 69.89% and 8.6% by the limited partners Tibet Qiwei Enterprise Management Co., Ltd.* (珠海麒偉企業管理有限公司) (“**Tibet Qiwei**”) and Mr. Chen Yiping (陳一平). The remaining 10.75% interest are held by three individual limited partners (each of whom holds less than 5% interest in Ningbo Midu). Tibet Midu is a limited liability company established under the laws of the PRC primarily engaging in project investment management and consulting services and, to the best knowledge of our Directors, ultimately controlled by Ms. Li Ming (李敏), an Independent Third Party. To the best knowledge of our Directors, Tibet Qiwei is held as to 99% and 1% by Zhang Yan (張硯) and Lei Shu Yang (雷樹洋), respectively. Ningbo Midu, its general

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partner and limited partners are Independent Third Parties. Ningbo Midu became acquainted with our Group through personal acquaintances and decided to invest in our Group as it is confident in the potential future strategic cooperation opportunities of our Group.

Zhongtong Xinyuan

Zhongtong Xingyuan is a limited partnership established under the laws of the PRC on November 10, 2020, which focuses on investment management, asset management and private equity investments. Zhongtong Xingyuan is held as to approximately 0.04% by Zhongtong Fund Management (Shenzhen) Co., Ltd.* (中桐基金管理(深圳)有限公司) (“**Zhongtong Shenzhen**”) (the general partner), and approximately 24.05%, 16.03%, 16.03%, 10.69%, 8.02%, 8.02%, 6.41%, 5.34% and 5.34% by the following limited partners respectively: by Mr. Song Zewei (宋澤偉), Mr. Wang Hui (王輝), Mr. Dai Jun (代俊), Mr. Zhang Han (張航), Mr. Ma Shaodan, Wang Rui (王蕊), Mr. Yang Xiaoming (楊曉明), Mr. Wen Jianrong (文建榮) and Ms. Yu Juanjuan (迂娟娟). Zhongtong Shenzhen is a limited liability company established under the laws of the PRC primarily engaging in equity investment fund and, to the best knowledge of our Directors, ultimately controlled by Mr. Hou Shaoze (侯紹澤), an Independent Third Party. Zhongtong Xinyuan, its general partner and limited partners are Independent Third Parties. Zhongtong Xinyuan came to know our Group as we were listed on the NEEQ before. It was introduced with the opportunity to invest in our Group through personal acquaintances, and decided to invest in our Group as it is optimistic about the future development of our Group.

Nanchang Xiaolan

Nanchang Xiaolan is a limited partnership established under the laws of the PRC on November 30, 2020, which focuses on investments in the AR/VR industry. Nanchang Xiaolan is held as to approximately 0.70% by Taihao Park Investment Co., Ltd (泰豪創業投資集團有限公司) (“**Taihao Park**”) (the general partner) and 0.30% by Guizhou Tellhow Fund Management Co., Ltd.* (貴州泰豪基金管理有限公司) (the general partner), and approximately 40.00%, 39.00% and 20.00% by the following limited partners respectively: Tellhow Creative Technology Group Co., Ltd.* (泰豪創意科技集團股份有限公司) (“**Tellhow Creative**”), Nanchang Xiaolan Economic and Technological Development Zone Economic Development Investment Co., Ltd.* (南昌小藍經濟技術開發區經濟發展投資有限責任公司) (“**Nanchang Xiaolan ETD**”) and Nanchang SME Service Center* (南昌市中小企業服務中心). Taihao Park is a limited liability company established under the laws of the PRC primarily engaging in investment, construction and consulting services and, to the best knowledge of our Directors, the general partners of Nanchang Xiaolan are controlled by Tellhow Group Co., Ltd.* (泰豪集團有限公司), which is held by one individual shareholder and three limited partnerships, and none of their shareholdings exceed 30%. To the best knowledge of our Directors, (i) Tellhow Creative is held as to 40% and 60% by Tsinghua Tongfang Co., Ltd. (a Shanghai listed company, stock code: 600100) and Tellhow Group Co., Ltd.* (泰豪集團有限公司), respectively; and (ii) Nanchang Xiaolan ETD is wholly owned by the Nanchang municipal government. Nanchang Xiaolan, its general partner and limited partners, and each of their respective shareholders, are Independent Third Parties. Nanchang Xiaolan became acquainted with our Group through personal acquaintance, and decided to invest in our Group as they are confident in our industry and the potential business cooperation with us in the AR/VR sectors.

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Shenzhen Chestnut

Shenzhen Chestnut is a limited partnership established under the laws of the PRC on August 19, 2021, which focuses on investment and providing financing consulting services. Shenzhen Chestnut is held as to approximately 10% by Shenzhen Fenglin Venture Investment Co., Ltd. (深圳峰林創業投資有限公司) (“**Shenzhen Fenglin**”) (the general partner), and approximately 50%, 20%, 10% and 10% by the following limited partners respectively: Mr. Li Wenhong (李文江), Mr. Zhen Chuanjiang (鄭川江), Mr. Zhen Shaopeng (鄭少鵬) and Mr. Hou Yunfei (侯雲飛). Shenzhen Fenglin is a limited liability company established under the laws of the PRC primarily engaging in equity investment management and, to the best knowledge of our Directors, ultimately controlled by Mr. Chen Zhiyuan (陳志遠), an Independent Third Party. Shenzhen Chestnut, its general partner and limited partners are Independent Third Parties. Shenzhen Chestnut became acquainted with our Group through Mr. Wang, and decided to invest in our Group as it is optimistic about the future prospect of our Group.

Shenzhen Linghang

Shenzhen Linghang is a limited partnership established under the laws of the PRC on June 20, 2018, which focuses on investments in technology, Internet, new materials, new energy, high-end equipment. Shenzhen Linghang is held as to approximately 2% by Shenzhen Fenglin Venture Investment Co., Ltd. (深圳峰林創業投資有限公司) (“**Shenzhen Fenglin**”) (the general partner), and approximately 30.77%, 30%, 9.9%, 9.9%, 9.9% and 7.45% by the following limited partners respectively: Huayong Investment Group Co., Ltd.* (華永投資集團有限公司) (“**Huayong Investment**”), Shenzhen Futian Guidance Fund, Shandong Expressway Bohai Sea (Tianjin) Equity Investment Fund Management Co., Ltd.* (山東高速環渤海(天津)股權投資基金管理有限公司) (“**Shandong Expressway Bohai**”), Shandong Expressway North Bank (Shanghai) Investment Management Co., Ltd.* (山東高速北銀(上海)投資管理有限公司) (“**Shandong Expressway North Bank**”), Shandong Expressway Songxin (Tianjin) Investment Management Co., Ltd.* (山東高速嵩信(天津)投資管理有限公司) (“**Shandong Expressway Songxin**”) and Chongyi Zhangyuan Investment Holdings Co., Ltd.* (崇義章源投資控股有限公司) (“**Chongyi**”). Shenzhen Fenglin is a limited liability company established under the laws of the PRC primarily engaging in equity investment management and, to the best knowledge of our Directors, ultimately controlled by Mr. Chen Zhiyuan (陳志遠), an Independent Third Party. To the best knowledge of our Directors, (i) Huayong Investment is held as to 11.5% and 88.5% by Zhang Bao Zhen (張寶珍) and Li Yong (李勇), respectively; (ii) the ultimate beneficial owner of Shenzhen Futian Guidance Fund is the Bureau of Finance of Shenzhen Futian district; (iii) Shandong Expressway Bohai, Shandong Expressway North Bank and Shandong Expressway Songxin are all ultimately controlled by the SASAC of Shandong province; and (iv) Chongyi is held as to 94% and 6% by Huang Ze Lan (黃澤蘭) and Lai Xiang Ying (賴香英), respectively. Shenzhen Linghang, its general partner and

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limited partners are Independent Third Parties. Shenzhen Linghang became acquainted with our Group through Mr. Wang, and decided to invest in our Group as it is optimistic about the future prospect of our Group.

Jinan Taiyue

Jinan Taiyue is a limited partnership established under the laws of the PRC on August 4, 2021, which focuses on investment management, asset management and private equity investments. Jinan Taiyue is held as approximately 40% by Shandong Lushang Private Equity Fund Management Co., Ltd.* (山東魯商私募基金管理有限公司) (“**Shandong Lushang**”) (the general partner) and approximately 60% by Shandong Lushang Capital Management Co., Ltd. (山東魯商資本管理有限公司) (“**Shandong Lushang Capital**”) (the limited partner). Shandong Lushang is a limited liability company established under the laws of the PRC primarily engaging in capital market services and, to the best knowledge of our Directors, Shandong Lushang and Shandong Lushang Capital are both ultimately controlled by the SASAC of Shandong province. Jinan Taiyue, its general partner and limited partner are Independent Third Parties. Jinan Taiyue became acquainted with our Group through personal acquaintances and decided to invest in our Group as it is confident in the financial performance of our Group and is of the view that our AR/VR business aligns with its investment scope and can create synergy with its current business.

Hainan Yilin

Hainan Yilin is a limited partnership established under the laws of the PRC on October 29, 2021 which focuses on investment activities and information technology consulting services. Hainan Yilin is held as to approximately 85% by Beijing Xingtai Hengda Investment Management Co., Ltd.* (北京興泰恒達投資管理有限公司) (“**Beijing Xingtai**”) (the general partner), and approximately 6.67%, 5% and 3.33% by the following limited partners respectively: Mr. Liu Yangming (劉洋銘), Mr. Yi Guangzhao (易廣招) and Mr. Chen Hongyan (陳紅艷). Beijing Xingtai is a limited liability company established under the laws of the PRC primarily engaging in investment management and to the best knowledge of our Directors, ultimately controlled by Mr. Zhao Yafei (趙亞非) and Ms. Zhao Hongjing (趙紅靜), Independent Third Parties. Hainan Yilin, its general partner and limited partners are Independent Third Parties. Hainan Yilin became acquainted with our Group through introduction by other companies, and decided to invest in our Group as it is interested in investing in the industry of our Group.

Shanghai Zheji

Shanghai Zheji is a limited partnership established under the laws of the PRC on July 1, 2021, which focuses on providing business management services, business management consulting services and information consulting services. Shanghai Zheji is held as to approximately 90% and

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10% by Mr. Pu Zhenhua (朴振華) (the general partner), and Beijing Zhefu Century Technology Co., Ltd (北京蟄伏世紀科技有限公司) (the limited partner), which to the best knowledge of our Directors, is wholly-owned by Mr. Pu Zhenhua. Shanghai Zheji, its general partner and limited partner are Independent Third Parties. Mr. Pu Zhenhua came to know our Group through personal acquaintances and established Shanghai Zheji for the purposes of investing in our Group. Shanghai Zheji decided to invest in our Group as it is confident in the business of our Group and the future development of the industry of our business.

Other individual [REDACTED] Investors

Mr. Wang Chongling (王崇嶺), Ms. Song Lifang (宋麗芳), Ms. Yi Huimin (益惠敏), Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思), Mr. Liang Hui (梁輝), Ms. Li Xiujie (李秀傑) and Mr. Wang King Cheong Tommy (王景昌) are individual investors who participate in investment opportunities for different target companies encompassing various business sectors from time to time. Mr. Wang came to know Mr. Wang Chongling (王崇嶺) through personal acquaintances and introduced him as a [REDACTED] Investor. Mr. Wang was acquainted with Mr. Wang King Cheong Tommy (王景昌) through introduction by Mr. Wang Chongling (王崇嶺), who introduced him as a [REDACTED] Investor. Ms. Song Lifang (宋麗芳), Ms. Yi Huimin (益惠敏), Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思), Mr. Liang Hui (梁輝) and Ms. Li Xiujie (李秀傑) became acquainted with our Group through the introduction by our management team. The individual [REDACTED] Investors decided to invest in our Group as they are positive about the growth of the AR/VR industry in the long term, and are satisfied with the business prospect and future development of our Group, considering our business operation and financial performance during the Track Record Period. To the best knowledge of our Directors, Mr. Wang Chongling (王崇嶺) is currently the chairman of Tianjin Nanuo Biotechnology Co., Ltd.* (天津納諾生物科技有限公司), a company principally engaged in biotech development and research activities; Ms. Li Xiujie (李秀傑), Ms. Yi Huimin (益惠敏), Ms. Song Lifang (宋麗芳) and Ms. Li Shu Lan (李淑蘭) are currently retired; and Mr. Liang Hui (梁輝) is currently the director of Beijing Origin Water Purification Engineering & Technology Co., Ltd., a company principally engaged in water purification services.

Save as disclosed above, to the best knowledge, information and belief of our Directors, each of the [REDACTED] Investors (including their management and ultimate beneficial owners or controllers) do not have any past or present relationships with other [REDACTED] Investors, our Group, our Controlling Shareholders, our Directors and senior management and any of their respective associates.

As advised by our PRC Legal Advisors, the [REDACTED] Investments were legally completed and settled in compliance with the applicable laws and regulations in the PRC in all material respects.

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Public Float

The Shares to be held by the [REDACTED] Investors immediately following completion of the [REDACTED] and the [REDACTED] will be considered upon [REDACTED] as part of the public float for the purposes of Rule 8.08 of the Listing Rules.

Compliance with Interim Guidance and Guidance Letters

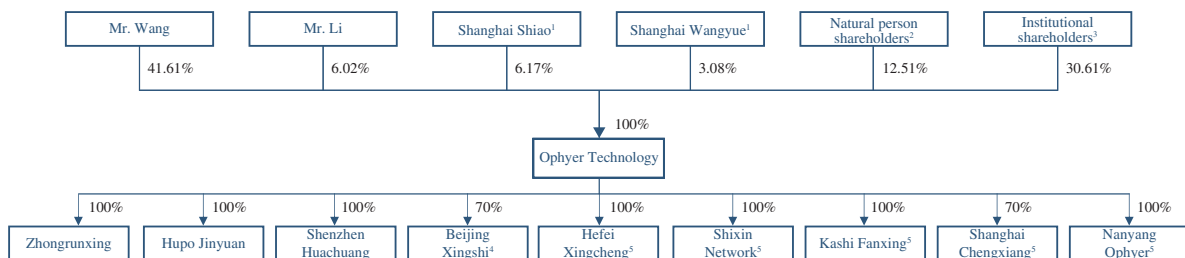
On the basis that (i) the completion of the last [REDACTED] Investment occurred 28 clear days before our Company’s submission of the application for [REDACTED]; and (ii) all special rights granted to the [REDACTED] Investors were terminated before or immediately before our Company’s application for the [REDACTED], the Sole Sponsor confirms that the [REDACTED] Investments are in compliance with (i) the Guidance Letter HKEX-GL29-12; and (ii) the Guidance Letter HKEX-GL43-12.

MATERIAL ACQUISITIONS AND DISPOSALS DURING THE TRACK RECORD PERIOD

Save as disclosed in “Corporate Development — Zhongrunxing” above in this section, we did not conduct any material acquisitions, disposals or mergers during the Track Record Period and up to the Latest Practicable Date.

REORGANIZATION

The following chart sets forth the corporate structure of our Group immediately prior to our Reorganization:



Notes:

1. Shanghai Shiao and Shanghai Wangyue are both limited partnerships ultimately held as to 85% by Mr. Wang (the general partner) and 15% by Mr. Li (the limited partner).
2. Natural person shareholders comprise Mr. Du Haitao (杜海濤), Mr. Wang Chongling (王崇嶺), Ms. Song Lifang (宋麗芳), Ms. Yi Huimin (益惠敏), Ms. Li Shu Lan (李淑蘭) and Ms. Peng Si (彭思).

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3. Institutional shareholders comprise Tongchuang Weiye, Xi’an Zhiyao, Saifu Dynamic, Grand Canal (Nanjing), Hefei Shuimu, Shaanxi Big Data, Ningbo Midu, Guochuang Feitian, Kaiyuan Future, Tianjin Xinghuo and Xi’an Biyue.
4. Beijing Xingshi is 70% owned by Ophyer Technology and 30% owned by Weifang Weiting. As of the Latest Practicable Date, Weifang Weiting was a connected person of our Company by virtue of its equity interest held in Beijing Xingshi, while all of its general partners and limited partners are Independent Third Parties. For details of the shareholding of Weifang Weiting, see the paragraph headed “Corporate Development — Beijing Xingshi” above in this section.
5. In order to streamline our corporate structure and save administrative cost, Shixin Network, Kashi Fanxing, Shanghai Chengxiang, Nanyang Ophyer and Hefei Xingcheng were deregistered by our Group voluntarily on September 16, 2021, August 9, 2021, July 29, 2021, October 29, 2021 and December 21, 2021, respectively. Before its deregistration, Shanghai Chengxiang was 70% owned by Ophyer Technology and 30% owned by Shanghai Yichi Shijie Digital Technology Co, Ltd.* (上海一尺視界數碼科技有限公司), an Independent Third Party.

In order to optimize our corporate structure to further develop the business of our Group and to more readily access the international capital markets, we underwent a corporate reorganization in preparation for the [REDACTED] and the [REDACTED], details of which are set out below.

Onshore Reorganization

Establishment of Beijing Flowing Cloud

On November 17, 2021, Beijing Flowing Cloud was established as a wholly foreign-owned subsidiary of Ophyer HK with a registered capital of RMB10 million and the registered capital was increased to RMB50 million on March 2, 2022. See the section headed “Contractual Arrangements” in this document for details of the arrangements among Beijing Flowing Cloud and Ophyer Technology.

Contractual Arrangements

In order for us to operate the business of Ophyer Technology and its subsidiaries in compliance with the relevant PRC laws and regulations, we entered into the Contractual Arrangements with Beijing Flowing Cloud and the Registered Shareholders on December 16, 2021 and May 6, 2022, pursuant to which, all economic benefits arising from the business and operation of Ophyer Technology and its subsidiaries are transferred to Beijing Flowing Cloud by means of service and consultation fees payable by Ophyer Technology to Beijing Flowing Cloud. See the section headed “Contractual Arrangements” for further details.

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Deregistration of deregistered entities

We had five subsidiaries during the Track Record Period which had been deregistered, namely Shixin Network, Kashi Fanxing, Shanghai Chengxiang, Nanyang Ophyer and Hefei Xingcheng. Shixin Network was established for games development and advertising agency businesses and had no material operations and material profit or loss since the year ended December 31, 2019. Nanyang Ophyer was established for AR/VR content product research and development and recorded a revenue of nil, approximately RMB9.4 million and approximately RMB11.3 million for the three years ended December 31, 2019, 2020 and 2021, respectively. In order to streamline our corporate structure, we gradually transferred the business of Nanyang Ophyer to other members of our Group and Nanyang Ophyer ceased its business operations in 2021. Kashi Fanxing, Shanghai Chengxiang and Hefei Xingcheng did not carry out any material business operation since their establishment and had no material profit or loss during the Track Record Period. In order to streamline our corporate structure and save administrative costs, Shixin Network, Kashi Fanxing, Shanghai Chengxiang, Nanyang Ophyer and Hefei Xingcheng were deregistered by our Group voluntarily on September 16, 2021, August 9, 2021, July 29, 2021, October 29, 2021 and December 21, 2021, respectively.

As confirmed by our Directors, during the Track Record Period and up to their respective dates of deregistration, Hefei Xingcheng, Shixin Network, Kashi Fanxing, Shanghai Chengxiang and Nanyang Ophyer were not involved in any material claims, litigations or non-compliant incidents; and the deregistration thereof had no material impact on our Group’s financial performance, financial position and cash flows during the Track Record Period.

Offshore Reorganization

Incorporation of our Company

Our Company was incorporated in the Cayman Islands on June 24, 2021 with an authorized share capital of US\$50,000, divided into 5,000,000,000 ordinary shares of a par value of US\$0.00001 each. Immediately after the incorporation of our Company, one ordinary share was issued and allotted to an initial subscriber, which on the same day transferred the same to Wang BVI at the subscription price of US\$0.00001. On the same day, a total of additional 99,999 ordinary shares were issued to Wang BVI at the subscription price of US\$0.99999.

Incorporation of Ophyer BVI and Ophyer HK

On July 19, 2021, Ophyer BVI was incorporated in the BVI as a wholly-owned subsidiary of our Company. Upon its incorporation, 100 shares of Ophyer BVI were allotted and issued to our Company at par value. Ophyer BVI is an investment holding company.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Further, on August 10, 2021, Ophyer HK was incorporated in Hong Kong as a wholly-owned subsidiary of Ophyer BVI. Upon its incorporation, 10,000 shares of Ophyer HK were allotted and issued to Ophyer BVI. Ophyer HK is an investment holding company.

Establishment of the Wang Family Trust

On November 10, 2021, the Wang Family Trust was established as a discretionary trust, with Mr. Wang as the settlor and protector. The beneficiary of the Wang Family Trust is Wang BVI. The Wang Family Trust is established for Mr. Wang’s estate planning purposes. Vistra Trust is the trustee of the Wang Family Trust.

Incorporation of Brainstorming Cafe

Brainstorming Cafe was incorporated in the Cayman Islands on November 5, 2021 with an authorized share capital of US\$50,000, divided into 500,000,000 ordinary shares of a par value of US\$0.0001 each. Immediately after its incorporation, one ordinary share was issued and allotted to an initial subscriber, which on the same day transferred the same to Wang BVI at the subscription price of US\$0.0001. On the same day, a total of additional 8,720 shares and 1,279 shares were fully paid up and issued to Wang BVI and Li BVI at the subscription price of US\$0.872 and US\$0.1279, respectively. On November 17, 2021, Wang BVI transferred 6,105 shares to Cyber Warrior, a company incorporated in the BVI by Vistra Trust (the trustee of the Wang Family Trust) as the holding vehicle for the administration of the Wang Family Trust, at a total consideration of US\$0.6105. As of the Latest Practicable Date, Brainstorming Cafe was owned as to 26.16%, 61.05% and 12.79% by Wang BVI, Cyber Warrior and Li BVI, respectively.

Allotment and issue of Shares to offshore holding companies and transfer of Shares from Wang BVI to Brainstorming Cafe

On November 22, 2021 and December 16, 2021, our Company adjusted the shareholding proportion by allotting and issuing an aggregate of 66,509,040 new Shares (including the share issuance in relation to the offshore [REDACTED] Investment) and 49,508,770 new Shares for cash at par value to the shareholders of Ophyer Technology or the holding entities wholly-owned or designated by such shareholders (as the case may be) to reflect their respective equity interest in Ophyer Technology. On December 13, 2021, Wang BVI also transferred 100,000 Shares to Brainstorming Cafe at a total consideration of US\$1.00.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Upon completion, the shareholding structure of our Company was as follows:

Shareholder	Shareholdings	Percentage of shareholding
Brainstorming Cafe ⁽¹⁾	57,668,950	49.66%
Beijing Tongchuang Zhiming Technology Partnership (Limited Partnership) ⁽³⁾	7,057,130	6.08%
Xi'an Zhiyao ⁽³⁾	4,750,790	4.09%
Saifu Dynamic ⁽³⁾	4,704,750	4.05%
Grand Canal (Nanjing) ⁽³⁾	4,704,750	4.05%
Xiujie LI Limited ⁽⁵⁾	4,182,480	3.60%
Hefei Shuimu ⁽²⁾	4,147,130	3.57%
Wangyisong Ltd ⁽²⁾	4,059,640	3.50%
Shanxi Big Data	3,624,380	3.12%
Ningbo Midu ⁽⁴⁾	2,195,550	1.89%
Shenzhen Linghang ⁽⁵⁾	1,705,470	1.47%
Hainan Yilin ⁽⁵⁾	1,697,350	1.46%
Zhongtong Xinyuan ⁽⁵⁾	1,653,500	1.42%
Guochuang Feitian ⁽³⁾	1,568,250	1.35%
Kaiyuan Future ⁽³⁾	1,568,250	1.35%
Jinan Taiyue ⁽⁵⁾	1,483,020	1.28%
Yi Huimin Ltd. ⁽²⁾	1,219,750	1.05%
Nanchang Xiaolan ⁽⁵⁾	1,218,190	1.05%
Mr. Wang King Cheong Tommy (王景昌) ⁽⁶⁾	1,154,550	0.99%
LH Science and Technology Ltd ⁽⁵⁾	1,136,980	0.98%
Shenzhen Chestnut ⁽⁵⁾	1,136,980	0.98%
Pennysisi Limited ⁽⁴⁾	1,089,930	0.94%
Songlifang Limited ⁽²⁾	871,250	0.75%
Shulanli Limited ⁽⁴⁾	544,970	0.47%
Shanghai Zheji ⁽⁵⁾	495,060	0.43%
Tianjin Xinghuo ⁽⁴⁾	409,310	0.35%
Xi'an Biyue ⁽³⁾	69,450	0.06%
Total	116,117,810	100.00%

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Notes:

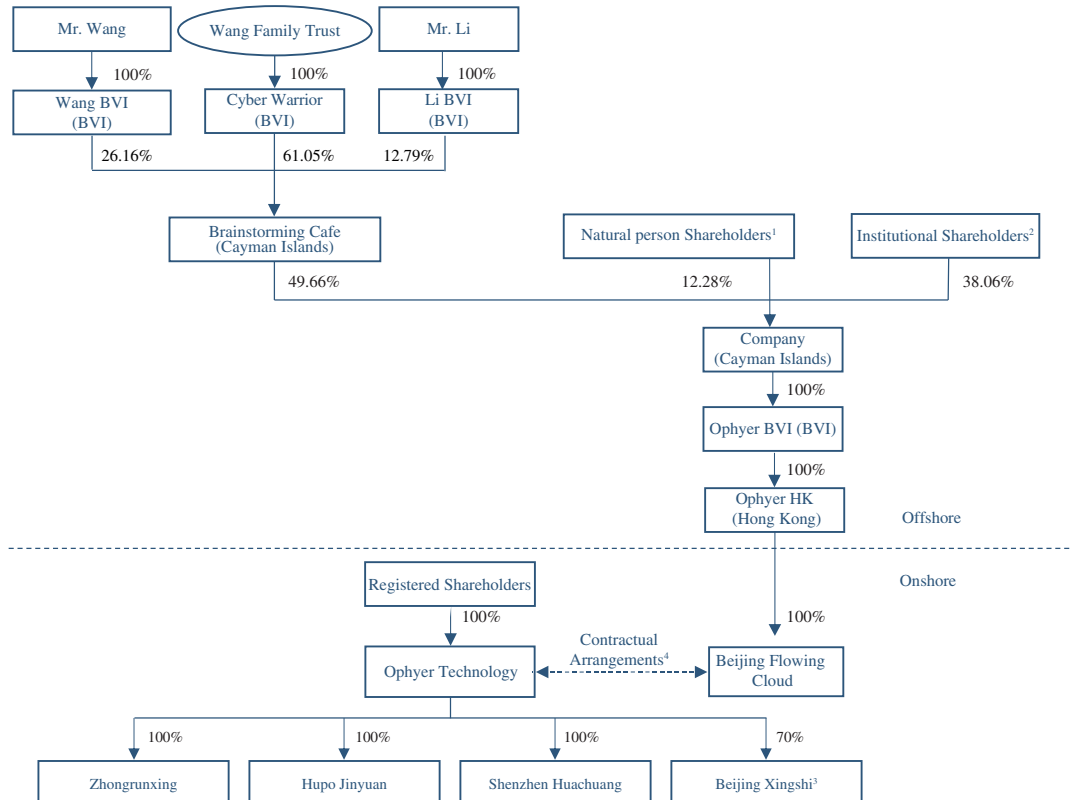
1. Brainstorming Cafe is owned as to 26.16%, 61.05% and 12.79% by Wang BVI, Cyber Warrior and Li BVI, respectively.
2. Round A financing [REDACTED] Investors consist of Mr. Wang Chongling (王崇嶺), Hefei Shuimu, Ms. Song Lifang (宋麗芳) and Ms. Yi Huimin (益惠敏). Mr. Wang Chongling (王崇嶺), Ms. Song Lifang (宋麗芳) and Ms. Yi Huimin (益惠敏) hold their shareholdings in our Company through their BVI companies, namely Wangyisong Ltd, Songlifang Limited, Yi Huimin Ltd., respectively.
3. Round A+ financing [REDACTED] Investors consist of Saifu Dynamic, Tongchuang Weiye, Guochuang Feitian, Kaiyuan Future, Grand Canal (Nanjing), Xi'an Zhiyao and Xi'an Biyue. Tongchuang Weiye holds its shareholding in our Company through Beijing Tongchuang Zhiming Technology Partnership (Limited Partnership)* (北京同創致明科技合夥企業(有限合夥)), a limited partnership established in the PRC which is held as to 10% by Xinyu Tongchuang Investment Management Co., Ltd.* (新余同創精選投資管理有限公司) (the general partner, which is a wholly-owned subsidiary of the sole shareholder of the general partner of Tongchuang Weiye (i.e. Shenzhen Cowin Asset Management Co., Ltd.* (深圳同創偉業資產管理股份有限公司)), and 90% by Tongchuang Weiye (the limited partner).
4. Round B financing [REDACTED] Investors consist of Ningbo Midu, Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思) and Tianjin Xinghuo. Ms. Li Shu Lan (李淑蘭) and Ms. Peng Si (彭思) hold their shareholdings in our Company through their BVI companies, namely Shulanli Limited and Pennysisi Limited, respectively.
5. Round C financing [REDACTED] Investors consist of Zhongtong Xinyuan, Nanchang Xiaolan, Ms. Li Xiujie (李秀傑), Mr. Liang Hui (梁輝), Shenzhen Chestnut, Shenzhen Linghang, Jinan Taiyue, Hainan Yilin and Shanghai Zheji. Ms. Li Xiujie (李秀傑) and Mr. Liang Hui (梁輝) hold their shareholdings in our Company through their BVI companies, namely Xiujie LI Limited and LH Science and Technology Ltd, respectively.
6. Mr. Wang King Cheong Tommy (王景昌) is our offshore [REDACTED] Investor.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

CORPORATE STRUCTURE

Corporate structure immediately after the Reorganization and before the [REDACTED] and the [REDACTED]

The following chart sets forth our corporate structure immediately after the Reorganization and prior to the completion of the [REDACTED] and the [REDACTED] (unless otherwise specified, each subsidiary is 100% owned by its holding entity):



Notes:

1. Natural person Shareholders comprise Mr. Wang Chongling (王崇嶺), Ms. Song Lifang (宋麗芳), Ms. Yi Huiming (益惠敏), Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思), Mr. Liang Hui (梁輝), Ms. Li Xiujie (李秀傑) and Mr. Wang King Cheong Tommy (王景昌). Mr. Wang Chongling (王崇嶺), Ms. Song Lifang (宋麗芳), Ms. Yi Huiming (益惠敏), Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思), Mr. Liang Hui (梁輝) and Ms. Li Xiujie (李秀傑) hold their shareholdings in our Company through their respective BVI companies, namely Wangyisong Ltd, Songlifang Limited, Yi Huimin Ltd., Shulanli Limited, Pennysisi Limited, LH Science and Technology Ltd and Xiujie LI Limited, respectively. For details of the shareholding of our Shareholders, see the paragraph headed “Offshore Reorganization — Allotment and issue of Shares to offshore holding companies and transfer of Shares from Wang BVI to Brainstorming Cafe” in this section.
2. Institutional Shareholders comprise Tongchuang Weiye, Xi’an Zhiyao, Saifu Dynamic, Grand Canal (Nanjing), Hefei Shuimu, Shaanxi Big Data, Ningbo Midu, Guochuang Feitian, Kaiyuan Future, Tianjin Xinghuo, Xi’an Biyue, Zhongtong Xinyuan, Nanchang Xiaolan, Shenzhen Chestnut, Shenzhen Linghang, Jinan Taiyue, Shanghai Zheji and

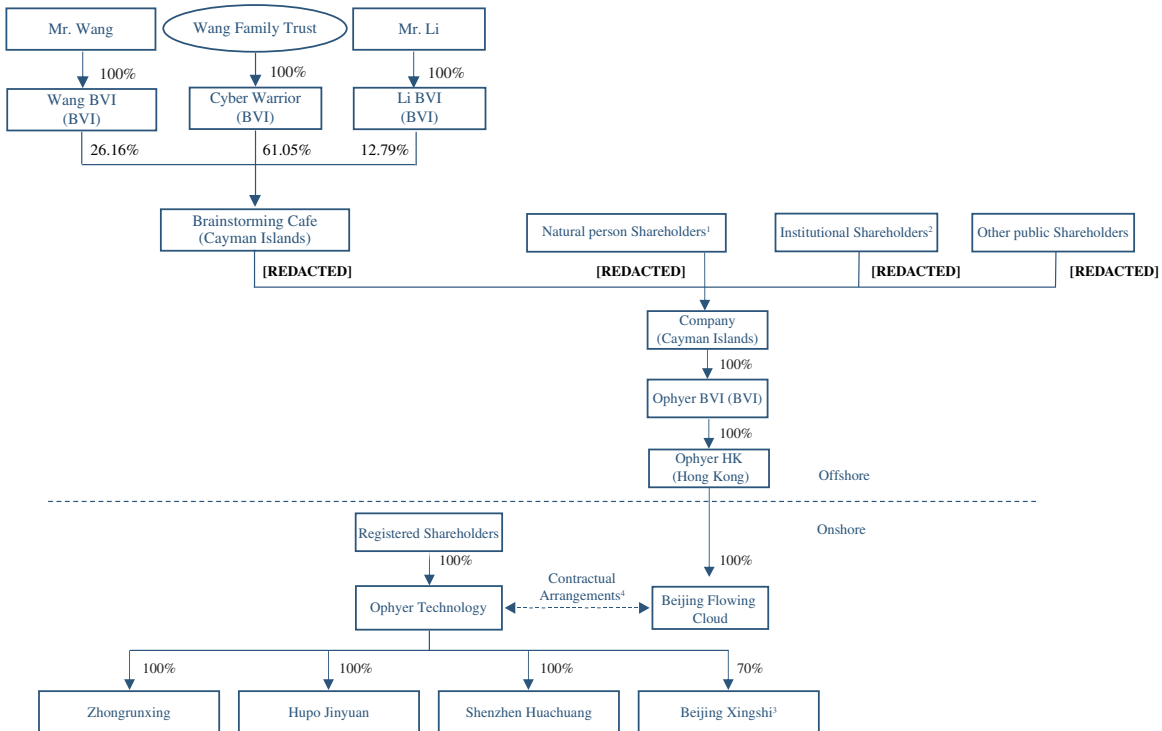
HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Hainan Yilin, respectively. Tongchuang Weiye holds its shareholding in our Company through Beijing Tongchuang Zhiming Technology Partnership (Limited Partnership)* (北京同創致明科技合夥企業(有限合夥)), a limited partnership established in the PRC which is held as to 10% by Xinyu Tongchuang Investment Management Co., Ltd.* (新余同創精選投資管理有限公司) (the general partner), which is a wholly-owned subsidiary of the sole shareholder of the general partner of Tongchuang Weiye (i.e. Shenzhen Cowin Asset Management Co., Ltd. (深圳同創偉業資產管理股份有限公司)), and 90% by Tongchuang Weiye (the limited partner). For details of the shareholding of our Shareholders, see the paragraph headed “Offshore Reorganization — Allotment and issue of Shares to offshore holding companies and transfer of Shares from Wang BVI to Brainstorming Cafe” in this section.

- Beijing Xingshi is 70% owned by Ophyer Technology and 30% owned by Weifang Weiting. As of the Latest Practicable Date, Weifang Weiting was a connected person of our Company by virtue of its equity interest held in Beijing Xingshi, while all of its general partners and limited partners are Independent Third Parties. For details of the shareholding of Weifang Weiting, see the paragraph headed “Corporate Development — Beijing Xingshi” above in this section.
- For details of the Contractual Arrangements, see the section headed “Contractual Arrangements” in this document.

Corporate structure immediately following the completion of the [REDACTED] and the [REDACTED]

The following chart sets forth our corporate structure immediately after the completion of the [REDACTED] and the [REDACTED], assuming that the [REDACTED] is not exercised, and without taking into account any Shares to be issued upon the exercise of options which may be granted under the [REDACTED] Share Option Scheme.



HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

Notes:

1. Natural person Shareholders comprise Mr. Wang Chongling (王崇嶺), Ms. Song Lifang (宋麗芳), Ms. Yi Huiming (益惠敏), Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思), Mr. Liang Hui (梁輝), Ms. Li Xiujie (李秀傑) and Mr. Wang King Cheong Tommy (王景昌), and our Company will be owned by these natural person Shareholders as to [REDACTED] and [REDACTED], respectively. Mr. Wang Chongling (王崇嶺), Ms. Song Lifang (宋麗芳), Ms. Yi Huiming (益惠敏), Ms. Li Shu Lan (李淑蘭), Ms. Peng Si (彭思), Mr. Liang Hui (梁輝) and Ms. Li Xiujie (李秀傑) hold their shareholdings in our Company through their respective BVI companies, namely Wangyisong Ltd, Songlifang Limited, Yi Huimin Ltd., Shulanli Limited, Pennysisi Limited, LH Science and Technology Ltd and Xiujie LI Limited, respectively.
2. Institutional Shareholders comprise Tongchuang Weiye, Xi’an Zhiyao, Saifu Dynamic, Grand Canal (Nanjing), Hefei Shuimu, Shaanxi Big Data, Ningbo Midu, Guochuang Feitian, Kaiyuan Future, Tianjin Xinghuo, Xi’an Biyue, Zhongtong Xinyuan, Nanchang Xiaolan, Shenzhen Chestnut, Shenzhen Linghang, Jinan Taiyue, Shanghai Zheji and Hainan Yilin, and our Company will be owned by these institutional Shareholders as to [REDACTED] and [REDACTED], respectively. Tongchuang Weiye holds its shareholding in our Company through Beijing Tongchuang Zhiming Technology Partnership (Limited Partnership)* (北京同創致明科技合夥企業(有限合夥)), a limited partnership established in the PRC which is held as to 10% by Xinyu Tongchuang Investment Management Co., Ltd.* (新余同創精選投資管理有限公司) (the general partner), which is a wholly-owned subsidiary of the sole shareholder of the general partner of Tongchuang Weiye (i.e. Shenzhen Cowin Asset Management Co., Ltd.* (深圳同創偉業資產管理股份有限公司)), and 90% by Tongchuang Weiye (the limited partner).
3. Beijing Xingshi is 70% owned by Ophyer Technology and 30% owned by Weifang Weiting. As of the Latest Practicable Date, Weifang Weiting was a connected person of our Company by virtue of its equity interest held in Beijing Xingshi, while all of its general partners and limited partners are Independent Third Parties. For details of the shareholding of Weifang Weiting, see the paragraph headed “Corporate Development — Beijing Xingshi” in this section.
4. For details of the Contractual Arrangements, see the section headed “Contractual Arrangements” in this document.

PRC REGULATORY REQUIREMENTS

Our PRC Legal Advisors have confirmed that (i) all necessary government approvals and permits from the relevant PRC authorities in respect of the equity transfers and changes in registered capital of the PRC subsidiaries of our Group in this section above have been obtained; and (ii) all the relevant legal procedures were completed in compliance with the relevant PRC laws and regulations. Our PRC Legal Advisors have further advised that the Reorganization (i) has been properly and legally completed and settled from the PRC perspective; and (ii) complies with the relevant PRC laws and regulations and all applicable requisite regulatory approvals have been obtained from the relevant PRC authorities.

HISTORY, DEVELOPMENT AND CORPORATE STRUCTURE

SAFE Registration

Pursuant to the Circular on Relevant Issues Concerning Foreign Exchange Administration of Overseas Investment and Financing and Return Investments Conducted by Domestic Residents through Overseas Special Purpose Vehicles (《關於境內居民通過特殊目的公司境外投融資及返程投資外匯管理有關問題的通知》) (the “**SAFE Circular 37**”) promulgated by the SAFE and which became effective on July 4, 2014, (a) a PRC resident must register with the local SAFE branch before he or she contributes assets or equity interests in an overseas special purpose vehicle (the “**Overseas SPV**”) that is directly established or indirectly controlled by the PRC resident for the purpose of conducting investment or financing, and (b) following the initial registration, the PRC resident is also required to register with the local SAFE branch for any major change in respect of the Overseas SPV, including, among other things, a change of the Overseas SPV’s PRC resident shareholder(s), the name of the Overseas SPV, terms of operation, or any increase or reduction of the Overseas SPV’s capital, share transfer or swap, and merger or division. Pursuant to the SAFE Circular 37, failure to comply with these registration procedures may result in penalties.

Pursuant to the Circular of the SAFE on Further Simplifying and Improving the Direct Investment-related Foreign Exchange Administration Policies (《關於進一步簡化和改進直接投資外匯管理政策的通知》) (the “**SAFE Circular 13**”) promulgated by SAFE and which became effective on June 1, 2015, the power to accept a SAFE registration was delegated from a local SAFE branch to local banks where the assets or interest in the domestic entity was located.

Pursuant to the Administrative Measures on Overseas Investments by Enterprises (《企業境外投資管理辦法》) and other relevant provisions (the “**ODI Rules**”), a domestic institution shall undergo a registration procedure for foreign investment in accordance with the provisions of the ODI Rules, which require the domestic institution to register or file with the relevant authorities prior to its overseas direct investment and obtain relevant recordation, approval, certificate or permit.

As advised by our PRC Legal Advisors, all PRC residents who are our Shareholders have completed the registration under the SAFE Circular 13 and SAFE Circular 37 and all the ultimate PRC institutional shareholders of our Company have completed the overseas direct investment registration with the local MOFCOM pursuant to the ODI Rules in relation to their offshore investments as domestic institutions.

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M&A Rules

On August 8, 2006, six PRC regulatory agencies, including MOFCOM, the SASAC, the State Administration of Taxation, SAIC, CSRC and SAFE, jointly issued the Regulations on the Mergers and Acquisitions of Domestic Enterprises by Foreign Investors (《關於外國投資者併購境內企業的規定》) (the “**M&A Rules**”), which became effective on September 8, 2006, and was amended on June 22, 2009. The M&A Rules purport, among other things, to require offshore special purpose vehicles formed for overseas [REDACTED] purposes through acquisitions of PRC domestic companies and controlled by PRC companies or individuals, to obtain the approval of the CSRC prior to publicly [REDACTED] their securities on an overseas stock exchange. Pursuant to the M&A Rules, a foreign investor is required to obtain necessary approvals when (i) a foreign investor acquires equity in a domestic non-foreign invested enterprise thereby converting it into a foreign-invested enterprise, or subscribes for new equity in a domestic enterprise through an increase of registered capital thereby converting it into a foreign-invested enterprise; or (ii) a foreign investor establishes a foreign-invested enterprise which purchases and operates the assets of a domestic enterprise, or which purchases the assets of a domestic enterprise and injects those assets to establish a foreign-invested enterprise (the “**Regulated Activities**”).

As advised by our PRC Legal Advisors, given that (i) Beijing Flowing Cloud was established as a wholly foreign-owned enterprise by means of direct investment rather than by merger or acquisition by our Company under the M&A Rules, and (ii) no Regulated Activities were involved in the Reorganization under the M&A Rules, the establishment of Beijing Flowing Cloud and the Reorganization are not subject to the M&A Rules, and the [REDACTED] of our Company does not require approval from CSRC and MOFCOM under the M&A Rules. Other than Beijing Flowing Cloud, all of our Consolidated Affiliated Entities have been wholly-owned by PRC citizens since their dates of establishment, and as such, the M&A Rules are not applicable.