

DATE: 28 DECEMBER 2023

MANY IDEA CLOUD HOLDINGS LIMITED
(as Company)

AND

MANY IDEA LIUJIANHUI LIMIED
(as Underwriter)

UNDERWRITING AGREEMENT

relating to the open offer of up to
400,000,000 Open Offer Shares in the share capital of
MANY IDEA CLOUD HOLDINGS LIMITED
to be issued under the Open Offer on the basis of
one (1) Open Offer Share for every
two (2) Shares held on the Record Date

INDEX

	<u>Page no.</u>
Parties	1
Recitals	1
<u>Clause No.</u>	<u>Heading</u>
1	Definitions
2	2
3	Conditions
4	7
5	Publication of the announcement
6	8
7	The Open Offer
8	8
9	Underwriting Obligations
10	9
11	Obligations of the Underwriter
12	10
13	Allotment and issue
14	11
15	Fees and expenses
16	11
	Announcements
	12
	Representations, warranties and undertakings
	12
	Indemnity
	15
	Rescission and termination
	15
	Time of the essence
	17
	Notices
	17
	Counterparts
	18
	Governing law
	18
Execution	
Exhibit	Announcement

THIS AGREEMENT is dated 28 December 2023

BETWEEN:

- (1) **MANY IDEA CLOUD HOLDINGS LIMITED**, a company incorporated in the Cayman Islands with limited liability and whose registered office is at Ogier Global (Cayman) Limited, 89 Nexus Way, Camana Bay, Grand Cayman, KY1-9009, Cayman Islands and whose correspondence address in Hong Kong is at 2408, World-Wide House, 19 Des Voeux Road Central, Central, Hong Kong (the “**Company**”); and
- (2) **MANY IDEA LIUJIANHUI LIMIED**, a company incorporated in the British Virgin Islands with limited liability and having its registered office at Morgan & Morgan Building, P.O. Box 958, Pasea Estate, Road Town, Tortola, British Virgin Islands (the “**Underwriter**”).

WHEREAS:

- (A) The Company is incorporated in the Cayman Islands with limited liability whose issued Shares (as defined below) are listed on the Main Board of the Stock Exchange and has as at the date hereof 800,000,000 Shares in issue which are fully paid or credited as fully-paid.
- (B) The Company has determined by resolution of its Board to offer, subject to the fulfilment of the Conditions Precedent (as defined below), 400,000,000 Open Offer Shares (as defined below) for subscription by the Qualifying Shareholders (as defined below) by way of the Open Offer (as defined below), on the basis of one (1) Open Offer Share for every two (2) Shares held on the Record Date (as defined below), at the Open Offer Price (as defined below) payable in full on application and otherwise on the terms and subject to the conditions set out in this Agreement and the Prospectus Documents (as defined below).
- (C) As at the date hereof, the Company has no outstanding warrants, options or convertible or exchangeable securities.
- (D) The entire issued share capital of the Underwriter is owned by Mr. Liu Jianhui, a controlling shareholder and the Chairman and executive director of the Company (“**Mr. Liu**”).
- (E) As at the date hereof, the Underwriter is beneficially interested in 130,457,399 Shares, representing approximately 16.31% of the total issued share capital of the Company. In addition, as at the date of this Agreement, Mr. Liu is also interested in 126,330,885 Shares held by Xiamen Huli District Dream Future Investment Partnership Enterprise (Limited Partnership) (“**Xiamen Dream Future**”) and 1,579,097 Shares held by Many Idea Qushuo Limited (“**Many Idea Qushuo**”), the entire issued share capital of which is owned by Ms. Qu Shuo, the spouse of Mr. Liu (“**Ms. Qu**”). Mr. Liu is interested in an aggregate of 258,367,381 Shares, representing approximately 32.30% of the total issued share capital of the Company as at the date of this Agreement.

- (F) On the terms and subject to the conditions hereinafter appearing, the Underwriter has agreed to underwrite all such Unsubscribed Shares that have not been placed by the Placing Agent or they have been placed but the placees have not paid therefor at 4:00pm on the Placing End Date.
- (G) Simultaneously upon the entering into of this Agreement, the Company has entered into the Placing Agreement (as defined below) with the Placing Agent (as defined below), pursuant to which the Placing Agent (as defined below) shall, on a best effort basis, procure placee(s) to subscribe for the Unsubscribed Open Offer Shares (as defined herein below) upon completion of the Open Offer.

NOW IT IS HEREBY AGREED as follows:

1. DEFINITIONS

- 1.1 In this Agreement including the Recitals and Schedules, unless the context otherwise requires, the following expressions have the following meanings:

“Announcement”	the announcement to be made by the Company concerning, among others, this Agreement, the Open Offer and the Whitewash Waiver in the agreed form, a draft of which is set out in this Agreement as the Exhibit
“Application Form(s)”	the form of application for use by the Qualifying Shareholders to apply for the Open Offer Shares in the agreed form
“associates”	has the meaning ascribed thereto in the Listing Rules
“Board”	the board of Directors
“business day”	a day on which the Stock Exchange is open for the transaction of business throughout its normal business hours
“CCASS”	the Central Clearing and Settlement System established and operated by Hong Kong Securities Clearing Company Limited
“Conditions Precedent”	the conditions set out in Clause 2.1
“CWUMPO”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong) (as amended from time to time)
“Directors”	directors of the Company

“dispose”	means to make or to agree to make, and “disposal” means, any sale, assignment, exchange, transfer, concession, loan, lease, direct or indirect reservation, waiver, compromise, release, dealing with or in or granting of any option, right of first refusal, power of attorney or other right or interest whatsoever and any agreement for any of the foregoing, as the context requires
“EGM”	the extraordinary general meeting of the Company to be convened and held to consider and approve this Agreement and the transactions contemplated hereunder, the Open Offer and the Whitewash Waiver
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegate(s)
“Hong Kong”	the Hong Kong Special Administrative Region of the People’s Republic of China
“Independent Shareholders”	Shareholders, other than: (i) the Underwriter; (ii) any Shareholders who are involved in or interested in this Agreement, the Open Offer and/or the Whitewash Waiver; and (iii) those Shareholders who have a material interest in this Agreement, the Open Offer and for the Whitewash Waiver different from other Shareholders, including but not limited to those Directors who have personal interest in the Shares, who shall be required under the Listing Rules and/or the Takeovers Code to abstain from voting on the resolutions to approve this Agreement, the Open Offer and the Whitewash Waiver at the EGM
“Independent Third Party(ies)”	person(s) who is/are independent of and not connected with the directors, chief executive and substantial shareholders of the Company or any of its subsidiaries, or any of their respective associates
“Irrevocable Undertaking”	the irrevocable undertaking given by the Underwriter under Clause 10.4
“Latest Lodging Date”	4:30 p.m. on 13 March 2024 or such other date and/or time as the Underwriter and the Company may agree as the latest time for lodging transfer of the Shares in order to qualify for the Open Offer
“Latest Time for Application”	4:00 p.m. on 9 April 2024 or such other date and/or time as may be agreed between the Company and the

	Underwriter, being the latest time for application and payment for the Open Offer Shares under the Open Offer
“Latest Time for Termination”	4:00 p.m. on 16 April 2024 or such later date and/or time as may be agreed between the Company and the Underwriter, being the latest time to terminate this Agreement
“Listing Rules”	Rules Governing the Listing of Securities on the Stock Exchange
“Non-Qualifying Shareholder(s)”	those Overseas Shareholders whom the Company, after making enquiry regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange, considers it necessary or expedient to exclude from the Open Offer
“Open Offer”	the proposed offer for subscription of the Open Offer Shares at the Open Offer Price on the basis of one (1) Open Offer Share for every two (2) existing Shares held by the Shareholders on the Record Date and subject to the conditions precedent set out in the section headed “Conditions of the Open Offer” in the Announcement and to be set out in the Prospectus
“Open Offer Price”	the issue price of HK\$0.15 per Open Offer Share at which the Open Offer Shares are proposed to be offered for subscription
“Open Offer Shares”	400,000,000 new Shares proposed to be offered to the Qualifying Shareholders under the Open Offer
“Overseas Shareholder(s)”	Shareholders whose registered addresses as shown in the register of members of the Company on the Record Date are outside of Hong Kong
“parties acting in concert”	has the meaning ascribed thereto in the Takeovers Code
“Placing Agent”	Metaverse Securities Limited, a corporation licensed to carry on type 1 (dealing in securities) regulated activity under the SFO
“Placing Agreement”	the placing agreement dated 28 December 2023 and entered into between the Company and the Placing Agent in respect of the Unsubscribed Arrangements, pursuant to which the Placing Agent has agreed to

	procure places on a best effort basis to subscribe for the Unsubscribed Open Offer Shares
“Placing End Date”	4:00 p.m. on 16 April 2024 or such other time as may be agreed between the Company and the Placing Agent as the latest date for application and payment for the Unsubscribed Open Offer Shares under the Placing Agreement
“Prospectus”	the offering circular to be issued by the Company in relation to the Open Offer which it proposes to register as a prospectus
“Prospectus Documents”	the Prospectus and the Application Form
“Prospectus Posting Date”	21 March 2024 or such other date as the Company and the Underwriter may agree in writing
“Qualifying Shareholder(s)”	Shareholders whose names appear on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	20 March 2024 or such other date as may be agreed between the Company and the Underwriter
“Registrar”	Computershare Hong Kong Investor Service Limited of Shops 1712-1716, 17 th Floor, Hopewell Centre, 183 Queen’s Road East, Wan Chai, Hong Kong, the Hong Kong branch share registrar and transfer office of the Company
“Settlement Date”	the business day following the Latest Time for Termination (or such other date as the Company and the Underwriter may agree)
“SFC”	the Securities and Futures Commission of Hong Kong
“SFO”	the Securities and Futures Ordinance (Cap. 571 of the laws of Hong Kong)
“Share(s)”	the ordinary share(s) of HK\$0.01 each in the share capital of the Company
“Shareholder(s)”	holders of the issued Shares
“Specified Event”	an event occurring or matter arising on or after the date hereof and prior to the Latest Time for Termination which if it had occurred or arisen before

the date hereof would have rendered any of the warranties contained in Clause 10.1 untrue or incorrect in any material respect

“Stock Exchange”

The Stock Exchange of Hong Kong Limited

“Takeovers Code”

the Hong Kong Code on Takeovers and Mergers

“Underwritten Share(s)”

270,813,310 Open Offer Shares, being the total number of Open Offer Shares which Shareholders are entitled pursuant to the Open Offer less 129,186,690 Open Offer Shares which the Underwriter and its parties acting in concert have undertaken to subscribe for or procure the subscription for pursuant to the Irrevocable Undertaking in accordance with this Agreement

“Unsubscribed Arrangements”

arrangements to place the Unsubscribed Open Offer Shares by the Placing Agent on a best effort basis to investors who (or as the case maybe, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties pursuant to Rule 7.21(l)(b) of the Listing Rules

“Unsubscribed Open Offer Share(s)”

consists of: (i) Open Offer Shares that are not subscribed by the Qualifying Shareholders, aggregated fractional Open Offer Shares, and (ii) Open Offer Shares which would otherwise have been allotted to the Non-Qualifying Shareholders (as the case may be)

“Untaken Open Offer Share(s)”

all such Unsubscribed Open Offer Shares that have not been placed by the Placing Agent or they have been placed but the placees have not paid therefor at 4:00 p.m. on the Placing End Date

“Whitewash Waiver”

a waiver in respect of the obligation of the Underwriter to make a mandatory general offer to the Shareholders in respect of the Shares not already owned or agreed to be acquired by the Underwriter and the parties acting in concert with it as a result of the underwriting of the Open Offer Shares in accordance with Note 1 on dispensations from Rule 26 of the Takeovers Code

“HK\$”

Hong Kong dollars, the lawful currency of Hong Kong

“%”

per cent.

- 1.2 References to the singular number include the plural and vice versa and references to one gender include every gender.
- 1.3 Any reference to a document being “**in the agreed form**” means in such form as may following the date of this Agreement be agreed between all the parties to this Agreement.
- 1.4 References to Clauses, Recitals and the Exhibit are to clauses of and recitals and exhibit to, this Agreement.

2. CONDITIONS

2.1 The Open Offer is conditional upon:

- (1) the passing by the Independent Shareholders at the EGM of (i) ordinary resolutions to approve this Agreement, the Placing Agreement, the Open Offer and the transactions contemplated thereunder; and (ii) a special resolution to approve the Whitewash Waiver (at least 75% of the Independent Shareholders at the EGM by way of poll) in accordance with the Listing Rules and the Takeovers Code respectively;
- (2) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of one copy of each of the Prospectus Documents duly signed by the Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the CWUMPO not later than the Prospectus Posting Date;
- (3) the posting of the Prospectus Documents to the Qualifying Shareholders by the Prospectus Posting Date and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the Prospectus Posting Date;
- (4) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Open Offer Shares by no later than the first day of their dealings;
- (5) compliance with the requirements under the applicable laws and regulations of Hong Kong and Cayman Islands;
- (6) the Executive granting the Whitewash Waiver to the Underwriter and the satisfaction of all conditions (if any) attached to the Whitewash Waiver granted;
- (7) the obligations of the Underwriter becoming unconditional and that this Agreement is not terminated in accordance with its terms;
- (8) the compliance with and performance of all the undertakings and obligations of the Underwriter under the Irrevocable Undertaking.

- 2.2 The Company shall use all reasonable endeavours to procure the fulfillment of the conditions set out in Clause 2.1 by the Latest Time for Termination or such other time as stated in Clause 2.1 and in particular shall furnish such information, supply such documents, pay such fees, give such undertakings and do all such acts and things as may be necessary in connection with the listing of the Open Offer Shares.
- 2.3 The Company shall make application to the Stock Exchange for the listing of and permission to deal in the Open Offer Shares.
- 2.4 The conditions set out in Clause 2.1 are incapable of being waived. If the conditions referred to in Clause 2.1 are not satisfied by the Latest Time for Termination, or where appropriate, the times stipulated in Clause 2.1, or such other date or dates as the Company and the Underwriter may agree in writing, this Agreement shall terminate and (save in respect of any provisions of Clause 8.1 or Clauses 9, 14 and 16 and any rights or obligations which may accrue under this Agreement prior to such termination) no party will have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

3. PUBLICATION OF THE ANNOUNCEMENT

- 3.1 Subject to approval by the Stock Exchange, the Company shall arrange for the Announcement to be published on the Stock Exchange's website and its own website as soon as reasonably practicable following the signing of this Agreement.
- 3.2 The Company shall use its reasonable endeavours to procure the posting of the Prospectus Documents to the Shareholders on or about the Prospectus Posting Date. The Company shall deliver to the Underwriter a copy of the resolution of the Board approving the Prospectus Documents and authorising the despatch thereof as soon as reasonably practicable and in any event within two business days from the date of despatch of such documents.
- 3.3 The Company shall, on or before the second business day after the Prospectus Documents are posted to Qualifying Shareholders in accordance with Clause 3.2, post the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders (if any) for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer.

4. THE OPEN OFFER

- 4.1 Subject to fulfillment of the Conditions Precedent:
- (1) the Company shall offer the Open Offer Shares to the Qualifying Shareholders at the Open Offer Price, in the proportion of one Open Offer Share for every two Shares held on the Record Date, by posting the Prospectus Documents to such holders on the Prospectus Posting Date on the basis that payment for the Open Offer Shares shall be made in full on application not later than the Latest Time for Application;

- (2) the Company shall, on the Prospectus Posting Date, post the Prospectus marked **“For information only”** and a letter in agreed form explaining the circumstances in which the Non-Qualifying Shareholders are not permitted to participate in the Open Offer, without the Application Form to the Non-Qualifying Shareholders;
 - (3) the Company shall deliver to the Underwriter copies of the resolutions referred to in Recital (B) on or before the Prospectus Posting Date; and
 - (4) the Company will allot and issue the Open Offer Shares upon the terms and subject to the conditions set out in the memorandum and articles of association of the Company and in accordance with the Prospectus Documents.
- 4.2 The Open Offer Shares, when allotted and issued, shall rank *pari passu* in all respects with the Shares in issue on the date of allotment and issue of the Open Offer Shares, including the right to receive all dividends and distributions which may be declared, made or paid on or after such date.

5. UNDERWRITING OBLIGATIONS

- 5.1 The Company shall immediately after the Latest Lodging Date but in any event before the Record Date make such enquiry regarding the legal restrictions, if any, under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange in the place where the Overseas Shareholders reside.
- 5.2 Subject to the provisions of this Agreement, the Underwriter’s obligations under this Agreement shall terminate if, before the Latest Time for Application, all the Open Offer Shares have been applied for in accordance with the terms of the Prospectus Documents.
- 5.3 If, however, by the Latest Time for Application any of the Underwritten Shares have not been taken up, the Company shall as soon as practicable thereafter and in any event before 4:00 p.m. on the next business day following the Latest Time for Application notify or procure the Registrar on behalf of the Company to notify the Underwriter in writing of the number of Unsubscribed Open Offer Shares, and the Company shall, pursuant to the Placing Agreement, procure the Placing Agent, on a best effort basis, to procure subscription on the terms of the Prospectus Documents (so far as the same are applicable) for the Unsubscribed Open Offer Shares pursuant to the Unsubscribed Arrangements.
- 5.4 The Company shall use all reasonable endeavours to procure that the requirement under Rules 7.21(1)(b) and 7.21(2) of the Listing Rules be fulfilled, including but not limited to the entering into of the Placing Agreement. If, by the Placing End Date any of the Unsubscribed Open Offer Shares have not been taken up, the Company shall as soon as practicable thereafter and in any event before 7:00 p.m. on the Placing End Date notify or procure the Registrar on behalf of the Company to notify the Underwriter in writing of the number of Untaken Open Offer Shares, and the Untaken Open Offer Shares will be fully taken up by the Underwriter on the terms of the Prospectus Documents.

- 5.5 Each of the Underwriter and the Company agrees that the aggregate Open Offer Price required to be paid by the Underwriter under the Open Offer and under its underwriting obligation of this Agreement will be settled by way of cash.
- 5.6 Subject to Clauses 5.4 and 5.5, the Underwriter shall, not later than 4:00 p.m. on the Settlement Date, pay or procure payment to the Company by way of banker's draft or cashier's order drawn on a licensed bank in Hong Kong or by way of bank transfer of the aggregate Open Offer Price in respect of the Untaken Open Offer Shares.
- 5.7 As soon as reasonably practicable following receipt by the Company of payment referred to in Clause 5.6, the Company shall arrange for delivery to the Underwriter of share certificates in respect of the fully paid Untaken Open Offer Shares for which the Underwriter has subscribed in such names and in such denominations as the Underwriter may reasonably require at the same time as share certificates are despatched generally to persons who have applied for the Open Offer Shares or, where the Underwriter has designated an investor participant or CCASS participant stock account for deposit of all or part of the Open Offer Shares, evidence to the satisfaction of the Underwriter that such documents and instructions required to effect the crediting of such Open Offer Shares have been signed or given, as the case may be.

6. OBLIGATIONS OF THE UNDERWRITER

- 6.1 Any transaction carried out by the Underwriter pursuant to Clause 5 (other than the obligations contained in Clause 6.2) shall constitute a transaction carried out at the request of the Company and as its agent and not in respect of the Underwriter's own account. The Underwriter (in relation to Clause 5) shall not be responsible for any loss or damage to any persons arising from any such transaction, except where such loss or damage arises from the breach by the Underwriter of its obligations under this Agreement or the gross negligence or willful default or omission of the Underwriter or any agent appointed by it for such purpose.
- 6.2 In acting as agent of the Company hereunder, the Underwriter shall comply with all applicable laws and shall not do or omit anything, the doing or omission of which shall or may cause the Company or any of its directors to be in breach of any applicable laws, and in particular, but without prejudice to the generality of the foregoing, shall ensure that all offers made by it of the Open Offer Shares are made only in compliance with all applicable law and regulation and do not require the registration of the Prospectus Documents or any of them or any other document as a prospectus or otherwise in any jurisdiction other than Hong Kong and Cayman Islands and the Underwriter shall not make or purport to make on behalf of the Company any representation or warranty not contained in the Prospectus Documents.
- 6.3 The Company hereby confirms the appointment of the Underwriter as underwriter of the Open Offer subject to and upon the terms and conditions of this Agreement. The Company hereby confirms the appointment in this Clause 6.3 confers on the Underwriter all powers, authorities and discretions which are necessary for, or incidental to, the performance of its function as underwriter (including the appointment by the Underwriter, of such agents and affiliates as it reasonably deems appropriate). The Company will ratify and confirm all actions which the Underwriter lawful and properly takes pursuant to the appointment.

- 6.4 For the avoidance of doubt, the obligations of the Underwriter under this Agreement shall be limited to and shall not exceed the amount of the Underwritten Shares.
- 6.5 Subject to the fulfilment of the Conditions Precedent, the Company shall duly allot and issue the Open Offer Shares validly applied for and shall issue certificates for the Open Offer Shares to the relevant subscribers in accordance with the terms of the Prospectus Documents.
- 6.6 The Untaken Open Offer Shares for which the Underwriter will subscribe as provided in Clause 5.4 will be duly allotted and issued and certificates in respect thereof, or evidence that the same has been deposited into investor participant or CCASS participant stock account designated by the Underwriter, will be delivered to the Underwriter or as it may direct as soon as is reasonably practicable following receipt by the Company of evidence of settlement of payment of the aggregate Open Offer Price as provided in Clause 5.5 and 5.6, in accordance with Clause 5.7.
- 6.7 The Underwriter hereby represents, warrants and undertakes to the Company that:
- (1) it has the requisite power and authority to enter into and perform its obligations under this Agreement;
 - (2) this Agreement constitutes, and any other documents required to be executed by it pursuant to the provisions of this Agreement will, when executed, constitute, valid and binding obligations of it in accordance with their respective terms; and
 - (3) no action has been or will be taken by it directly or indirectly in any jurisdiction (other than Hong Kong) that would result in an Open Offer and/or give rise to a requirement for any prospectus to be published or filed or any registration or qualification to be made or obtained and all offers of new shares shall be made on such terms.

7. ALLOTMENT AND ISSUE

- 7.1 Subject to the fulfilment of the Conditions Precedent, the Company shall, not later than 4:00 p.m. on the business day immediately following the Settlement Date, duly allot and issue the Open Offer Shares validly applied for and shall issue certificates for the Open Offer Shares to the relevant subscribers in accordance with the terms of the Prospectus Documents.
- 7.2 The Underwritten Shares taken up by the Underwriter as provided in Clause 5.4 or for which it has procured subscribers will be duly allotted and issued and certificates in respect thereof, or evidence that the same has been deposited into investor participant or CCASS participant stock account designated by the Underwriter, will be delivered to the Underwriter or as it may direct as soon as is reasonably practicable following receipt by the Company of payment as provided in Clause 5.6, in accordance with Clause 5.7.

8. FEES AND EXPENSES

- 8.1 The Underwriter is not entitled to any underwriting commission. Subject to the due performance by the Underwriter of its obligations hereunder, the Company shall reimburse and by not later than the date of despatch of the share certificates in respect of the Open Offer Shares make payment to the Underwriter all reasonable costs, fees and out-of-pocket expenses properly incurred by it in connection with the underwriting of the Underwritten Shares and agreed in advance by the Company in writing.
- 8.2 Payment of the amounts of the reasonable costs, fees and out-of-pocket expenses properly incurred by the Underwriter in connection with the underwriting of the Underwritten Shares referred to in Clauses 8.1 shall be made whether or not the Underwriter's obligations under this Agreement become unconditional or are terminated pursuant to Clause 12.
- 8.3 The amounts payable pursuant to Clause 8.1 may be withheld by the Underwriter from any payment to be made by the Underwriter to the Company pursuant to Clause 5.6. In the event that the amount of the subscription moneys payable by the Underwriter being less than the full amount due to the Underwriter, the amounts payable pursuant to Clause 8.1, or the balance thereof, shall be due and payable as soon as reasonably practicable and in any event not later than the date of despatch of the share certificates in respect of the Open Offer Shares or, where the Underwriter has designated an investor participant or CCASS participant stock account for deposit of all or part of the Open Offer Shares, the date of effecting the crediting of such Open Offer Shares or such other date as may be agreed between the Company and Underwriter.
- 8.4 The Company shall bear its own legal fees, accountancy and other professional fees, the Registrar's fees, the cost of printing and distributing the Announcement and the Prospectus Documents and all other costs, charges and expenses relating to the issue of the Open Offer Shares and associated transactions (including, without limitation, all fees payable to the Stock Exchange in connection with the listing of the Open Offer Shares and capital duty (if any) payable on the issue of its share capital). The Company shall forthwith upon request by the Underwriter reimburse the Underwriter for any such expenses as are referred to above which the Underwriter may have properly paid or incurred on behalf of the Company.

9. ANNOUNCEMENTS

Save as expressly required hereunder or as otherwise required by the Stock Exchange or the SFC, no public announcement or communication to Shareholders or to the Stock Exchange or to the SFC concerning the Company and/or its subsidiaries which is material in relation to the Open Offer shall be made or despatched by the Company or the Underwriter between the date hereof and, if all the Underwritten Shares are taken up, the Latest Time for Application or, in any other case, the time at which the Underwriter is obliged to make payment under Clause 5.6, without prior written approval from the Company and the Underwriter as to the content, timing and manner of making or despatch thereof which approval shall not be unreasonably withheld or delayed.

10. REPRESENTATIONS, WARRANTIES AND UNDERTAKINGS

10.1 The Company represents and warrants to and undertakes with the Underwriter in the following terms:

- (a) all statements of fact contained or to be contained in the Announcement or the Prospectus Documents (including, in particular, the section headed “Reasons for and benefits of the Open Offer and use of proceeds”) are and will at the date of issue thereof be true and accurate in all material respects and not misleading in any material respect and all expressions of opinion, intention and expectation expressed therein (including, in particular, the section headed “Reasons for the Open Offer and use of proceeds”) are and will be fair and made after due and careful consideration;
- (b) there will be no information not disclosed in the Prospectus Documents the omission of which makes any statement therein misleading or which, in the context of the issue of the Open Offer Shares, might be material for disclosure therein;
- (c) the audited consolidated balance sheet of the Company as at 31 December 2022, and the audited consolidated profit and loss account of the Company for the financial year ended on 31 December 2022 (including the notes thereto) were prepared in accordance with the applicable laws and on a basis consistent with that adopted in preparing the audited accounts for the previous financial period in accordance with accounting principles, standards and practices generally accepted in Hong Kong so as to give (except to the extent (if any) disclosed therein) a true and fair view of the state of affairs of the Company as at the relevant dates and the profit or loss of the Company for the relevant financial periods;
- (d) the statements, forecasts, estimates and expressions of opinion contained in the Announcement and to be contained in the Prospectus have been and will at the respective dates of issue thereof be made after due and proper consideration, are and will at the respective dates of issue thereof be fair and honest and represent reasonable expectations based on facts known to the Company and/or the Directors or any of them;
- (e) the Company shall not from the date hereof until after the Latest Time for Application issue any Shares or issue or grant any share options or other securities convertible into, exchangeable for or which carry rights to acquire Shares;
- (f) subject to the condition precedent as set out in Clause 2.1(1) of this Agreement, the Company has power under its memorandum and articles of association, has taken all necessary corporate or other action, and no other consents, actions, authorisations or approvals are necessary to enable or authorise it:
 - (i) to allot and issue the Open Offer Shares required to be allotted pursuant to the terms of this Agreement in accordance with the Prospectus Documents without any sanction;

- (ii) to deal with the Open Offer Shares attributable to the Non-Qualifying Shareholders as may be specified in the Prospectus Documents;
 - (iii) to enter into and perform its obligations under this Agreement and to make the Open Offer;
 - (g) the Open Offer Shares, when allotted and issued, shall be free from all liens, charges, encumbrances and third party rights, interests or claims of any nature whatsoever; and
 - (h) the obligations of the Company under this Agreement constitute legally valid and binding obligations of it enforceable in accordance with the terms herein.
- 10.2 The Company hereby undertakes to use all reasonable endeavours not to cause or permit any Specified Event to occur prior to the Latest Time for Termination, and, if this Agreement is not rescinded pursuant to Clause 12, all such warranties, representations and undertakings as are contained in Clause 10.1 above shall be deemed to have been repeated as at the Latest Time for Termination with reference to the facts and circumstances then subsisting.
- 10.3 If any Specified Event shall occur or come to the knowledge of the Company prior to the Latest Time for Termination, it shall as soon as reasonably practicable give notice to the Underwriter of the same.
- 10.4 The Underwriter hereby represents to the Company that it is beneficially interested in 130,457,399 Shares, representing approximately 16.31% of the total issued share capital of the Company as at the date of this Agreement. In addition, as at the date of this Agreement, Mr. Liu is also interested in 126,330,885 Shares held by Xiamen Dream Future and 1,579,097 Shares held by Many Idea Qushuo, the entire issued share capital of which is owned by Ms. Qu. Mr. Liu is interested in an aggregate of 258,367,381 Shares, representing approximately 32.30% of the total issued share capital of the Company as at the date of this Agreement. The Underwriter has agreed to provide the Irrevocable Undertaking (as defined below) set out in this Agreement. The Underwriter hereby further irrevocably undertakes to the Company that:
- (1) it will subscribe and/or procure subscriptions for 129,183,690 Open Offer Shares which comprise the total number of Open Offer Shares to be allotted to it, Xiamen Dream Future and Many Idea Qushuo in respect of the aggregate holding of 258,367,381 Shares beneficially held by the Underwriter, Xiamen Dream Future and Many Idea Qushuo;
 - (2) it will not and will procure Xiamen Dream Future and Many Idea Qushuo not to dispose of any of the 126,330,885 Shares and 1,579,097 Shares comprising the current shareholding in the Company owned by the Underwriter, Xiamen Dream Future and Many Idea Qushuo, respectively, and such Shares will remain beneficially owned by the Underwriter, Xiamen Dream Future or Many Idea Qushuo, respectively, up to and including the Record Date (as defined below);
 - (3) it will, and will procure Xiamen Dream Future and Many Idea Qushuo to apply under the Open Offer for an aggregate of 63,954,991 Open Offer Shares; and

- (4) it will and will procure Xiamen Dream Future and Many Idea Qushuo lodge the Application Form in respect of the Open Offer Shares referred to in Clause 10.4(1) accompanied by appropriate remittances which shall be honoured on first presentation and otherwise comply with the procedures for such acceptance and application as described in the Prospectus Documents prior to the Latest Time for Application.

- 10.5 The foregoing provisions of this Clause 10 will continue in full force and effect notwithstanding the completion of the Open Offer.

11. INDEMNITY

- 11.1 The Company shall on demand indemnify the Underwriter and shall on demand hold the Underwriter indemnified against all loss or liability of any nature (including, without limitation, claims, costs, charges and expenses) whatsoever arising from or in respect of any breach by the Company of any provision of this Agreement, or any claim which may be brought or threatened to be brought against the Underwriter (whether or not such claim is successfully compromised or settled) in each case arising out of or in relation to or by reason of any breach of warranties or by the Company of its obligations hereunder, provided that this indemnity shall not relate to any claims or proceedings costs or expenses arising from any fraud, negligence or default, on the part of the Underwriters and that the conduct of the defence (including any settlement of any such claim) shall be carried by the Underwriters after, and on the basis of, regular consultation with the Company.
- 11.2 If the Underwriter becomes aware of any claim relevant for the purposes of Clause 11.1 and to the extent permitted by applicable laws, rules and regulations, it shall give notice in writing thereof to the Company and shall take such action as the Company may reasonably request to avoid, dispute, resist, defend or appeal against the claim and any adjudication in respect thereof but subject to the Underwriter being indemnified and secured to its reasonable satisfaction against all losses and expenses to which it might thereby render himself liable to suffer and incur including, without limitation, reasonable legal expenses properly incurred by its legal advisers.

12. RESCISSION AND TERMINATION

- 12.1 If, prior to the Latest Time for Termination (provided that for the purposes of this Clause 12 if the date of the Latest Time for Termination shall be a business day on which a tropical cyclone warning signal no. 8 or above or a black rainstorm warning signal is or remains hoisted in Hong Kong between 9.00 a.m. and 4.00 p.m. on that day, the date of the Latest Time for Termination shall be the next business day on which no tropical cyclone warning signal no. 8 or above or no black rainstorm warning signal is or remains hoisted in Hong Kong between 9:00 a.m. and 4:00 p.m. on that day):
- (1) in the reasonable opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
- (a) the introduction of any new law or regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other

occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or

- (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date thereof) of a political, military, financial, economic or other nature (whether or not ejusdem generis with any of the foregoing), or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (2) any adverse change in market conditions (including without limitation, any change in fiscal or monetary policy, or foreign exchange or currency markets, suspension or material restriction or trading in securities) occurs which in the reasonable opinion of the Underwriter is likely to materially and adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (3) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will adversely affect the prospects of the Group, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or the destruction of any material asset of the Group; or
- (4) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which in the reasonable opinion of the Underwriter will materially and adversely affect the success of the Open Offer and/or the prospects of the Group taken as a whole; or
- (5) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (6) any matter which, had it arisen or been discovered immediately before the date of the Prospectus Documents and not having been disclosed in the Prospectus Documents, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (7) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the

Announcement or the Prospectus Documents or other announcements in connection with the Open Offer,

the Underwriter shall be entitled by notice in writing to the Company, served prior to the Latest Time for Termination, to terminate this Agreement.

- 12.2 If prior to the Latest Time for Termination any such notice as is referred to above is given by the Underwriter, the obligations of all parties under this Agreement (save and except this Clause 12.2 and Clauses 14 and 16 which shall remain in full force and effect and save further that the Company shall pay the fees and expenses specified in Clause 8.1) shall terminate forthwith and no party shall have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches. For the avoidance of doubt, the Underwriter shall not be entitled to give a notice pursuant to Clause 12.1 at any time after its obligations under Clause 5.3 have terminated pursuant to Clause 5.2.
- 12.3 If this Agreement is terminated by the Underwriter at such time before the Latest Time for Termination but after the Underwriter has in accordance with Clauses 5.4 and 5.6 paid or procured payment to the Company of the aggregate Open Offer Price in respect of the Underwritten Shares for which the Underwriter is obliged to procure subscription under the provisions of Clause 5.4, the Company shall, not later than the end of the second business day after (but not including) the date of receipt of the notice of termination issued by the Underwriter pursuant to Clause 12.1, remit to the Underwriter such amount of aggregate Open Offer Price which it has received from the Underwriter.
- 12.4 Rescission or termination of this Agreement under this Clause 12 shall be without prejudice to any rights of any party in respect of any breach by the other prior to such rescission or termination.

13. **TIME OF THE ESSENCE**

Any time, date or period mentioned in this Agreement may be extended by mutual agreement between the parties hereto, but as regards any time, date or period originally fixed or any time, date or period so extended as aforesaid, time shall be of the essence.

14. **NOTICES**

- 14.1 Any notice required to be given hereunder will be deemed to be duly served if left at or sent by hand or email or pre-paid post to the registered office or to the following addresses and email addresses and where relevant, marked for the attention of the following persons:

<u>Party</u>	<u>Address</u>	<u>Email address</u>
The Company	12/F., ERKE Group Mansion 11 Guanyin Shan Hualien Road Siming District, Xiamen Fujian Province The PRC <u>Attn: The board of directors</u>	csc@many-idea.com

The Underwriter Room 705, No. 22 Binhu Uili, jacky@many-idea.com
Haichang District, Xiamen
Fujian Province
The PRC
Attn: Mr. Liu Jianhui

14.2 Any such notice shall be addressed as provided in above and may be:

- (1) personally delivered, in which case it shall be deemed to have been given upon delivery at the relevant address; or
- (2) if within Hong Kong, sent by pre-paid post, in which case it shall be deemed to have been given on the second day (not being a Sunday or public holiday) after the date of posting; or
- (3) if from or to any place outside Hong Kong, sent by pre-paid airmail, in which case it shall be deemed to have been given on the seventh day (not being a Sunday or public holiday) after the date of posting; or
- (4) sent by email, in which case it shall be deemed to have been given when sent, subject to any bounced-back email notification.

15. **COUNTERPARTS**

This Agreement may be executed in one or more counterparts, each of which shall be binding on each party hereto by whom or on whose behalf it is so executed, but which together shall constitute a single instrument. For the avoidance of doubt, this Agreement shall not be binding on any parties to this Agreement unless and until it shall have been executed by or on behalf of all the parties hereto.

16. **GOVERNING LAW**

- 16.1 This Agreement shall be governed by and construed in accordance with the laws of Hong Kong.
- 16.2 The parties hereby irrevocably submit to the non-exclusive jurisdiction of the courts of Hong Kong but this Agreement may be enforced in any other court in competent jurisdiction.
- 16.3 The Underwriter hereby irrevocably appoints Ms. Chak Wai Nga (翟偉雅) of Suite 4806-07 48/F Central Plaza, 18 Harbour Road, Wanchai, Hong Kong (the “**Agent**”) as its agent to receive and acknowledge on its behalf service of any writ, summons, order, judgment or other notice of legal process in Hong Kong in connection with this Agreement. The Underwriter agrees that any such legal process shall be deemed to be sufficiently served on it if delivered to the Underwriter for service at its address for the

time being in Hong Kong. In the event that the Agent cannot continue to act as agent for it, the Underwriter shall forthwith appoint another agent in Hong Kong for the same purposes and notify such appointment to the other parties. This Clause does not affect any other method of service allowed by law.

- 16.4 Any liability of any party hereunder to any other party may in whole or in part be released, compounded or compromised and time or indulgence may be given by any party hereunder as regards any other party under such liability without prejudicing that party's rights against any other person under the same or a similar liability.
- 16.5 Notwithstanding any other provisions of this Agreement, a person who is not a party to this Agreement shall not have any rights under the Contracts (Rights of Third Parties) Ordinance (Chapter 623 of the Laws of Hong Kong) to enforce any provisions of this Agreement.

IN WITNESS WHEREOF this Agreement has been entered into the day and year first above written.

THE COMPANY

SIGNED by CHEN SHANCHENG

a director, for and on behalf of

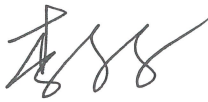
MANY IDEA CLOUD
HOLDINGS LIMITED

in the presence of:

For and on behalf of
Many Idea Cloud Holdings Limited
多想雲控股有限公司



Authorized Signature(s)



THE UNDERWRITER

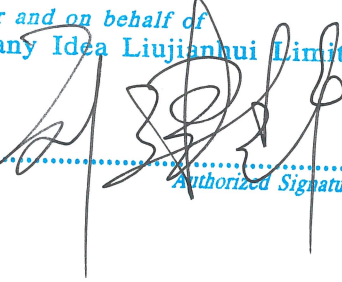
SIGNED by LIU JIANHUI

a director, for and on behalf of

MANY IDEA LIUJIANHUI LIMITED

in the presence of:

For and on behalf of
Many Idea Liujianhui Limited



Authorized Signature(s)



EXHIBIT
Announcement

Hong Kong Exchanges and Clearing Limited and The Stock Exchange of Hong Kong Limited take no responsibility for the contents of this announcement, make no representation as to its accuracy or completeness and expressly disclaim any liability whatsoever for any loss howsoever arising from or in reliance upon the whole or any part of the contents of this announcement.

This announcement is for information purposes only and does not constitute an invitation or offer to acquire, purchase or subscribe for the securities of Many Idea Cloud Holdings Limited.



多想雲
MANY IDEA
CLOUD

Many Idea Cloud Holdings Limited

多想雲控股有限公司

(incorporated in the Cayman Islands with limited liability)

(Stock Code: 6696)

- (1) PROPOSED OPEN OFFER ON THE BASIS OF
ONE (1) OFFER SHARE FOR EVERY TWO (2) EXISTING SHARES
HELD ON THE RECORD DATE;
(2) CONNECTED TRANSACTION IN RELATION TO THE
UNDERWRITING AGREEMENT; AND
(3) APPLICATION FOR WHITEWASH WAIVER**

**Independent Financial Adviser to the Independent Board Committee
and the Independent Shareholders**

RAINBOW.

RAINBOW CAPITAL (HK) LIMITED
溢博資本有限公司

PROPOSED OPEN OFFER

The Board proposes to offer by way of the Open Offer to the Shareholders a total of 400,000,000 Open Offer Shares at a price of HK\${0.15} per Open Offer Share. The net proceeds from the Open Offer after deducting related expenses are estimated to be approximately HK\${58.79} million. The Underwriter, a substantial shareholder beneficially holding 130,457,399 Shares, representing approximately 16.31% of the number of Shares in issue as at the date of this announcement, has agreed to underwrite the Untaken Offer Shares on the terms and conditions set out in the Underwriting Agreement.

The Open Offer is not available to the Non-Qualifying Shareholder. To qualify for the Open Offer, a Shareholder must be registered as a member of the Company on the Record Date and a Qualifying Shareholder.

In order for the transferees to be registered as members of the Company on the Record Date, all transfers of Shares (together with the relevant share certificates and instruments of transfer) must be lodged with the Registrar (i.e. Computershare Hong Kong Investor Services Limited) at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by 4:30 p.m. on Wednesday, 13 March 2024.

IRREVOCABLE UNDERTAKINGS

As at the date of this announcement, the Undertaking Providers are interested in an aggregate of 258,367,381 Shares (representing approximately 32.30% of the entire issued share capital of the Company as at the date of this announcement).

Pursuant to the Irrevocable Undertakings, the Undertaking Providers have irrevocably undertaken to the Company (i) to apply and pay for or to procure their respective associates (as defined under the Listing Rules) to apply and pay for all Open Offer Shares which will be in the assured allotment of Open Offer Shares in respect of the 258,367,381 Shares beneficially owned by them; (ii) that they will remain to be the beneficial owners of the 258,367,381 Shares at the close of business on the Record Date; (iii) to procure that the application for the Open Offer Shares will be lodged with the Registrar or the Company, in accordance with the terms of the Prospectus Documents, provided that the Whitewash Waiver having been granted by the Executive prior to the Posting Date and not having been revoked or withdrawn; and (iv) that they will not, and will procure their respective associates that they will not, without first having obtained prior written consent of the Company transfer or otherwise dispose of (including without limitation the agreement to dispose of, or the creation of any option or derivative) or acquire any Share (except the application of the Open Offer Shares under the assured allotment of the Open Offer Shares under the Open Offer) or any interest therein between the date of the Irrevocable Undertakings and the Record Date.

LISTING RULES IMPLICATIONS

Open Offer

As the Open Offer Shares are not issued pursuant to the general mandate of the Company, in accordance with Rule 7.24A(1) of the Listing Rules, among other things, the Open Offer must be made conditional on approval by the Independent Shareholders at the EGM and, pursuant to Rule 7.27A(1) of the Listing Rules, any controlling Shareholders and their associates, or where there is no controlling Shareholder, the Directors (other than the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Open Offer. As such, Mr. Liu, Ms. Qu, ZJJ Many Idea, Xiamen Dream Future, Many Idea Liujianhui and Many Idea Qushuo as a group of Controlling Shareholders of the Company and their respective associates shall abstain from voting in favour of the resolutions to approve the Open Offer at the EGM.

Connected transactions in relation to the Underwriting Agreement

As at the date of this announcement, the Underwriter (which is wholly owned by Mr. Liu) owns 130,457,399 Shares, representing approximately 16.31% of the number of Shares in issue. The Underwriter is a substantial shareholder of the Company and therefore a connected person of the Company. Accordingly, the transaction contemplated under the Underwriting Agreement constitutes a connected transaction for the Company under the Listing Rules and the Underwriting Agreement is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Underwriter and its associates will abstain from voting in favour of the resolution(s) in relation to the Underwriting Agreement and the transactions contemplated thereunder at the EGM.

TAKEOVERS CODE IMPLICATIONS AND APPLICATION FOR THE WHITEWASH WAIVER

As at the date of this announcement, the Underwriter and its beneficial owner, Mr. Liu, together with the parties acting in concert with any of them beneficially own in aggregate 258,367,381 Shares, representing approximately 32.30% of the entire issued share capital of the Company. Assuming (i) there is no change in the number of issued Shares from the date of this announcement up to and including the date of close of the Open Offer; (ii) none of the Qualifying Shareholders other than the Underwriter, Mr. Liu and the parties acting in concert with them have taken up their entitlements under the Open Offer; and (iii) none of the Unsubscribed Shares have been taken up under the Unsubscribed Arrangement, the interests in the Company held by the Underwriter, Mr. Liu and the parties acting in concert with them upon the close of the Open Offer will increase from the current level of approximately 32.30% to approximately 54.87% of the issued share capital of the Company as enlarged by the allotment and issue of the Open Offer Shares. The Underwriter and Mr. Liu will, in the absence of the Whitewash Waiver, be obliged to make a mandatory cash offer for all issued Shares not already owned or agreed to be acquired by them pursuant to Rule 26 of the Takeovers Code.

An application will be made by the Underwriter and Mr. Liu to the Executive for the Whitewash Waiver. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, (i) the approval of the Whitewash Waiver by at least 75% of the Independent Shareholders at the EGM by way of poll; and (ii) the approval by more than 50% of the Independent Shareholders at the EGM by way of poll in respect of the Open Offer, the Underwriting Agreement and the transactions contemplated thereunder. Save for the Underwriter, Mr. Liu and the parties acting in concert with them including those by virtue of the class (6) presumption under the definition of "acting in concert" under the Takeovers Code (i.e. Mr. Chen Shancheng and Mr. Chen Zeming) and those who are involved in and/or interested in the Open Offer and the Whitewash Waiver, no Shareholder is required to abstain from voting in favour of the proposed resolution approving the Whitewash Waiver at the EGM. If the Whitewash Waiver is not granted by the Executive, the Open Offer will not proceed.

EXTRAORDINARY GENERAL MEETING AND INDEPENDENT SHAREHOLDERS' APPROVAL

The EGM will be convened and held to consider and, if appropriate, approve the Open Offer, the Underwriting Agreement and the Whitewash Waiver and the transactions contemplated thereunder.

The Underwriter, Mr Liu, and parties acting in concert with any of them (including the Undertaking Providers, Mr. Chen Shancheng and Mr. Chen Zeming) and those who are involved in and/or interested in the Open Offer, the Underwriting Agreement and the Whitewash Waiver will abstain from voting at the EGM in respect of the resolutions for the Open Offer, the Underwriting Agreement and the Whitewash Waiver. In accordance with the Listing Rules and the Takeovers Code, the resolution(s)(i) in relation to the Whitewash Waiver will be approved by at least 75% of the independent votes that are either in person or by proxy by the Independent Shareholders at the EGM; and (ii) in relation of the Open Offer, the Underwriting Agreement and the transactions contemplated thereunder will be approved by more than 50% of the independent votes that are either in person or by proxy by the Independent Shareholders at the EGM.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

The Company has established the Independent Board Committee, comprising all the independent non-executive Directors, to advise the Independent Shareholders in respect of the Open Offer, the Underwriting Agreement and the transactions contemplated therein, and the Whitewash Waiver, and as to the voting action therefor.

Pursuant to Rule 2.8 of the Takeovers Code, members of the independent committee should comprise all non-executive Directors who have no direct or indirect interest in the Whitewash Waiver other than as a Shareholder. Each of Ms. Wang Yingbin, Ms. Wong Yan Ki, Angel, Mr. Tian Tao and Ms. Xiao Huilin has no involvement and no direct or indirect interests in the Open Offer, the Underwriting Agreement and the Whitewash Waiver, and is therefore eligible to be a member of the Independent Board Committee.

Rainbow Capital (HK) Limited has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Open Offer, the Underwriting Agreement and the Whitewash Waiver. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

SFC-B1Q2 & Q3

DESPATCH OF CIRCULAR

The Circular containing, among other things, (i) information regarding the Open Offer, the Underwriting Agreement, the Whitewash Waiver and the transactions contemplated thereunder; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders on the Open Offer, the Underwriting Agreement and the Whitewash Waiver; (iii) the advice of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Open Offer, the Underwriting Agreement and the Whitewash Waiver; (iv) other information required under the Listing Rules and the Takeovers Code; and (v) the notice of the EGM is required to be despatched to the Shareholders within 15 Business Days from the date of this announcement pursuant to Rule 14A.68(11) of the Listing Rules and 21 days from the date of this announcement pursuant to Rule 8.2 of the Takeovers Code (i.e. on or before Thursday, 18 January 2024), whichever is earlier.

PROPOSED OPEN OFFER

The Board proposes to offer by way of the Open Offer to the Shareholders a total of 400,000,000 Open Offer Shares at a price of HK\$0.15 per Open Offer Share. The net proceeds from the Open Offer after deducting related expenses are estimated to be approximately HK\$58.79 million. The Underwriter, a substantial shareholder beneficially holding 130,457,399 Shares, representing approximately 16.31% of the number of Shares in issue as at the date of this announcement, has agreed to underwrite the Untaken Offer Shares on the terms and conditions set out in the Underwriting Agreement.

Issue statistics

Basis of the Open Offer:	One (1) Open Offer Share for every two (2) existing Shares held by the Shareholders on the Record Date
Open Offer Price:	HK\$0.15 per Open Offer Share
Number of Shares in issue as at the date of this announcement:	800,000,000 Shares
Number of Open Offer Shares:	400,000,000 Open Offer Shares (assuming no change in the number of issued Shares from the date of this announcement up to and including the Record Date)
Underwriter:	Many Idea Liu Jianhui

As at the date of this announcement, no share options have been granted by the Company under any of its share schemes, and the Company has no other outstanding warrants, options or convertible securities in issue or other similar rights which confer any right to convert into or subscribe for Shares. The Company has no intention to issue any new Shares and any other securities except the Open Offer Shares before completion of the Open Offer. Assuming no changes in the share capital of the Company on or before the Record Date, the number of 400,000,000 Open Offer Shares to be issued pursuant to the Open Offer represent approximately 50.0% of the total number of the existing issued Shares as at the date of this announcement and approximately 33.3% of the total number of issued Shares as enlarged immediately upon the completion of the Open Offer (assuming all the Open Offer Shares will be taken up).

Open Offer Price

The offer price of HK\${0.15} per Open Offer Share, payable in full by a Qualifying Shareholder upon application for the assured allotment of Open Offer Shares under the Open Offer, represents:

- (i) a {discount} of approximately {33.6334.50}% over the closing price of HK\${0.2260.229} per Share as quoted on the Stock Exchange on the date of the Underwriting Agreement and the Placing Agreement;
- (ii) a {discount} of approximately {35.0631.19}% over the average of the closing prices per Share as quoted on the Stock Exchange for the last five consecutive trading days up to and including the Last Trading Day of approximately HK\${0.2340.218};
- (iii) a {discount} of approximately {42.3432.43}% over the average of the closing prices per Share as quoted on the Stock Exchange for the last 10 consecutive trading days up to and including the Last Trading Day of approximately HK\${0.2600.222};
- (iv) a {discount} of approximately {25.423.08}% to the theoretical ex-entitlement price of approximately HK\${0.2040.195} per Share based on the closing price of HK\${0.2260.217} per Share as quoted on the Stock Exchange on the Last Trading Day and the number of Shares as enlarged by the Open Offer Shares;
- (v) a theoretical dilution effect (as defined under Rule 7.27B of the Listing Rules) of a discount of approximately {41.6911.35}% represented by the theoretical diluted price of approximately HK\${0.2040.203} to the benchmarked price of approximately HK\${0.2340.229} per Share (as defined under Rule 7.27B of the Listing Rules, taking into account the closing price on the date of the Underwriting Agreement and the Placing Agreement of HK\${0.2260.229} per Share and the average closing price of the Shares in the five trading days immediately prior to the date of this announcement of HK\${0.2340.218} per Share); and

- (vi) a [discount] of approximately [80.31]% and [80.44]% to the audited and unaudited consolidated net asset value per Share attributable to the Shareholders as at 31 December 2022 and 30 June 2023 of approximately HK\$0.762 and HK\$0.767 per Share, respectively, calculated based on the consolidated net assets of the Group attributable to the Shareholders of approximately RMB544.86 million and RMB565.30565.34 million (equivalent to approximately HK\$609.70 million and HK\$613.40613.39 million based on the exchange rate of RMB1.000 to HK\$1.119 and RMB1.000 to HK\$1.085 as at 31 December 2022 and 30 June 2023, respectively). as at 31 December 2022 and 30 June 2023, respectively, and 800,000,000 Shares then in issue as at both of the aforesaid dates.

The terms of the Open Offer, including the Open Offer Price, were determined by the Board with reference to (i) the prevailing market condition; (ii) the prevailing market prices of the Shares; and (iii) the capital required for the Group's business development as detailed in the section headed "Reasons for the Open Offer and the use of proceeds" below. The Open Offer Shares will be offered to all Shareholders and each Qualifying Shareholder will be entitled to apply for the Open Offer Shares at the same price in proportion to his/her/its shareholding in the Company held on the Record Date. The Board is of the view that the Open Offer Price representing a significant discount to the consolidated net asset value per Share attributable to the Shareholders as at 31 December 2022 and 30 June 2023 is fair and reasonable in light of the expansion of the business and long-term and sustainable development of the Group which requires continuous input of resources and cash flows and the current market assessment as to the market responses to the Open Offer by the Directors. The Directors (other than members of the Independent Board Committee whose view will be set out in the Circular after taking into account the advice of the Independent Financial Adviser) consider that the terms of the Open Offer, including the Open Offer Price, are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Conditions of the Open Offer

The Open Offer is conditional upon (i) the obtaining of the Independent Shareholders' approval at the EGM; (ii) the Whitewash Waiver having been granted to the Underwriter (and such waiver not having been revoked or withdrawn); and (iii) the Underwriting Agreement becoming unconditional and not being terminated in accordance with its terms. For details of the conditions of the Underwriting Agreement, please refer to the paragraphs headed "Underwriting arrangement for the Open Offer — Conditions of the Underwriting Agreement" below.

Basis of assured allotment

Under the Open Offer, the basis of the assured allotment will be one (1) Open Offer Share for every two (2) existing Shares held by the Shareholders as at the close of business on the Record Date.

Fractional assured allotment of the Open Offer Shares

Open Offer Shares in assured allotment will be rounded down to the nearest whole number. No fractional Open Offer Shares will be issued under the Open Offer. All fractions of Open Offer Shares will be aggregated and first placed by the Placing Agent under the Unsubscribed Arrangements (see details set out in the paragraphs headed "Procedures in respect of the Unsubscribed Shares and the Unsubscribed Arrangements" below) to Independent Third Parties.

Status of the Open Offer Shares

The Open Offer Shares, when issued and fully paid, will be free from all liens, charges, encumbrances and third-party rights, interests or claims of any nature whatsoever and will rank pari passu in all respects with the Shares then in issue, including as to the right to receive all dividends and distributions which may be declared, made or paid on or after the date of allotment of the Open Offer Shares.

Qualifying Shareholders and Non-Qualifying Shareholders

To qualify for the Open Offer, a Shareholder must be registered as a member of the Company on the Record Date and a Qualifying Shareholder. As at the date of this announcement, the Company has Overseas Shareholders situated in the PRC and the British Virgin Islands.

In order for the transferees to be registered as members of the Company on the Record Date, all transfers of Shares (together with the relevant share certificates and instruments of transfer) must be lodged with the Registrar (i.e. Computershare Hong Kong Investor Services Limited) at Shops 1712-1716, 17th Floor, Hopewell Centre, 183 Queen's Road East, Wanchai, Hong Kong, by 4:30 p.m. on Wednesday, 13 March 2024.

The Company expects to send the Prospectus Documents to Qualifying Shareholders on or before Thursday, 21 March 2024. The Company will, to the extent permitted under the relevant laws and regulations and reasonably practicable, send the Prospectus only, to Non-Qualifying Shareholders for information purposes. The Non-Qualifying Shareholders will not be entitled to any assured allotment under the Open Offer.

Application for all or any part of a Qualifying Shareholder's assured allotment of Open Offer Shares should be made by completing the Application Form and lodging the same with a remittance for the Open Offer Shares being applied for with the Registrar at or before the Latest Time for Application (i.e. 4:00 p.m. on Tuesday, 9 April 2024).

Rights of Overseas Shareholders

The Prospectus Documents are not intended to be registered or filed under the applicable securities legislation of any jurisdiction other than Hong Kong.

In compliance with Rule 13.36(2)(a) of the Listing Rules, the Board will make enquiries HKEx-B1Q2 regarding the feasibility of extending the Open Offer to Overseas Shareholders under the laws of the relevant overseas jurisdictions and the requirement of the relevant regulatory bodies or stock exchanges. If, based on legal advice, the Board is of the opinion that it would be necessary or expedient not to offer the Open Offer Shares to Overseas Shareholders on account either of the legal restrictions under the laws of the relevant jurisdiction or the requirements of the relevant regulatory body or stock exchange in that place, the Open Offer Shares will not be available to such Overseas Shareholders. Further information in this connection will be set out in the Prospectus.

Overseas Shareholders should note that they may or may not be entitled to participate in the Open Offer, subject to the results of enquiries made by the Company. Accordingly, Overseas Shareholders should exercise caution when dealing in the Shares, and if they are in any doubt about their position, they should consult their own professional advisers.

Procedures in respect of the Unsubscribed Shares and the Unsubscribed Arrangements

Pursuant to Rule 7.26A(2) of the Listing Rules, as the Underwriter, being a substantial shareholder, will act as the underwriter of the Open Offer, the Company must make arrangements as stipulated in Rule 7.26A(1)(b) of the Listing Rules to dispose of any Unsubscribed Shares by offering such Unsubscribed Shares to independent placees for the benefit of the relevant No Action Shareholders.

Any Unsubscribed Shares (which comprise (i) the fractional Open Offer Shares aggregated as mentioned above; (ii) the Open Offer Shares that are not subscribed by the Qualifying Shareholders; and/or (iii) Open Offer Shares which would otherwise have been in the assured allotments of the Non-Qualifying Shareholders) will be first placed by the Placing Agent under the Unsubscribed Arrangements to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties, and if not successfully placed out, will be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

In order to comply with the Listing Rules, the Company has entered into the Placing Agreement with the Placing Agent to place the Unsubscribed Shares at the Placing Price. Any unplaced Unsubscribed Shares will then be taken up by the Underwriter pursuant to the terms of the Underwriting Agreement.

Principal terms of the Placing Agreement

Placing Agent:	Metaverse Securities Limited
Placing commission:	2.5% of the gross proceeds from the subscription of the Unsubscribed Shares successfully placed by the Placing Agent as at the date of Open Offer Completion
Placing Price:	Not less than HK\$[0.15] per Unsubscribed Share
Placing Period:	The Placing Period will commence on the sixth Business Day after the day on which the latest time for acceptance for the Open Offer Shares falls (i.e. 15 April 2024 under the current timetable), and end on the Placing End Date (i.e. 16 April 2024 under the current timetable) or such other dates as the Company may announce, being the period during which the Placing Agent will conduct the Placing.
Placee(s):	<p>The Unsubscribed Shares are expected to be placed to not less than six placees, who/which will be professional, institutional, corporate and/or individual investors selected and procured by or on behalf of the Placing Agent on a best effort basis. The Placing Agent will, on a best effort basis, ensure that these placees (or as the case may be, their ultimate beneficial owner(s)) will be Independent Third Parties.</p> <p>For the avoidance of doubt, no placee will become a substantial shareholder.</p>

Conditions of the Placing Agreement

The Placing is conditional upon the fulfilment or waiver, where permitted, of the following conditions precedent:

- (i) the Listing Committee of the Stock Exchange granting the approval for the listing of, and the permission to deal in, the Open Offer Shares;
- (ii) none of the representations, warranties or undertakings contained herein being or having become untrue, inaccurate or misleading in any material respect at any time before Completion; and
- (iii) the Placing Agreement not having been terminated in accordance with the provisions thereof.

Termination of the Placing Agreement

In the event the any conditions precedent above is not fulfilled on or before the Latest Time for Termination (or such later date as may be agreed between the parties thereto in writing), all rights, obligations and liabilities of the parties thereto shall cease and terminate and neither of the parties shall have any claim against the other, save for any antecedent breach under the Placing Agreement prior to such termination.

The Placing Agent will, on a best efforts basis during the Placing Period, seek to procure subscribers who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties for all (or as many as possible) of the Unsubscribed Shares.

The Placing Agent confirms that it is an Independent Third Party, and that there is no other arrangement, agreement, understanding or undertaking with the Underwriter in relation to the Shares. The terms of the Placing Agreement, including the placing commission, were determined after arm's length negotiation between the Placing Agent and the Company with reference to the prevailing market rate and the Company considers the terms to be normal commercial terms.

The Company considers that the Unsubscribed Arrangements will provide a compensatory mechanism for the No Action Shareholders, protect the interest of the Company's Independent Shareholders, and are fair and reasonable and in the interests of the Company and the Shareholders as a whole.

Because the Company has put in place the above Unsubscribed Arrangements as required by Rule 7.26A(1)(b) of the Listing Rules, there will be no excess application arrangements in relation to the Open Offer as stipulated under Rule 7.26A(1)(a) of the Listing Rules.

Share certificates for the Open Offer Shares

Subject to fulfilment of the conditions of the Open Offer and to its proceeding, share certificates for the fully-paid Open Offer Shares are expected to be posted by Friday, 19 April 2024 to those entitled thereto by ordinary post at their own risks. If the Open Offer is terminated, refund cheques are expected to be despatched on or before Friday, 19 April 2024 by ordinary post at the respective Shareholders' own risk.

Application for listing of the Open Offer Shares

The Company will apply to the Listing Committee for the listing of, and permission to deal in, the Open Offer Shares on the Stock Exchange.

Subject to the granting of the listing of, and permission to deal in, the Open Offer Shares on the Stock Exchange, the Open Offer Shares will be accepted as eligible securities by HKSCC for deposit, clearance and settlement in CCASS with effect from the commencement date of dealings in the Open Offer Shares on the Stock Exchange or such other dates as may be determined by HKSCC. Settlement of transactions between participants of the Stock Exchange on any trading day is required to take place in CCASS on the second trading day thereafter. All activities under CCASS are subject to the General Rules of CCASS and CCASS Operational Procedures in effect from time to time. Shareholders should seek advice from their stock brokers or other professional advisers for details of those settlement arrangements and how such arrangements will affect their rights and interests.

Dealings in the Open Offer Shares will be subject to the payment of stamp duty and other applicable fees and charges in Hong Kong.

IRREVOCABLE UNDERTAKINGS

As at the date of this announcement, the Undertaking Providers are interested in an aggregate of 258,367,381 Shares (representing approximately 32.30% of the entire issued share capital of the Company as at the date of this announcement).

Pursuant to the Irrevocable Undertakings, the Undertaking Providers have irrevocably undertaken to the Company (i) to apply and pay for or to procure their respective associates (as defined under the Listing Rules) to apply and pay for all Open Offer Shares which will be in the assured allotment of Open Offer Shares in respect of the 258,367,381 Shares beneficially owned by them; (ii) that they will remain to be the beneficial owners of the 258,367,381 Shares at the close of business on the Record Date; (iii) to procure that the application for the Open Offer Shares will be lodged with the Registrar or the Company, in accordance with the terms of the Prospectus Documents, provided that the Whitewash Waiver having been granted by the Executive prior to the Posting Date and not having been revoked or withdrawn; and (iv) that they will not, and will procure their respective associates that they will not, without first having obtained prior written consent of the Company transfer or otherwise dispose of (including without limitation the agreement to dispose of, or the creation of any option or derivative) or acquire any Share (except the application of the Open Offer Shares under the assured allotment of the Open Offer Shares under the Open Offer) or any interest therein between the date of the Irrevocable Undertakings and the Record Date.

THE UNDERWRITING ARRANGEMENT FOR THE OPEN OFFER

Principal terms of the Underwriting Agreement

Date: {28 December} 2023

Parties: (i) The Company; and
(ii) The Underwriter, being the underwriter to the Open Offer

The Underwriter is a substantial shareholder of the Company which beneficially holds 130,457,399 Shares, representing approximately 16.31% of the entire issued share capital of the Company as at the date of this announcement. As such, the Underwriter complies with Rule 7.19(1)(b) of the Listing Rules. The Underwriter is an investment holding company and is not engaged in the business of underwriting securities.

Number of Open Offer Shares underwritten: All such Unsubscribed Shares that have not been placed by the Placing Agent or they have been placed but the placees have not paid therefor at 4:00 p.m. on the Placing End Date.

Commission: Nil

The Underwriter's obligation to make a general offer under the Takeovers Code may be triggered as a result of the acceptance by the Underwriter and/or the parties acting in concert with it of the Unsubscribed Shares allotted to them under the Open Offer when there is an undersubscription of the Open Offer. The Underwriter will apply to the Executive for the Whitewash Waiver. As disclosed in the paragraph headed "Proposed Open Offer — Conditions of the Open Offer" above, it is a condition of the Open Offer to have the Executive having granted the Whitewash Waiver to the Underwriter (and such grant not having been withdrawn or revoked).

Conditions of the Underwriting Agreement

The Underwriting Agreement is conditional upon the fulfilment or waiver, where permitted, of the following conditions precedent:

- (i) the passing by the Independent Shareholders at the EGM of (i) ordinary resolutions to approve the Underwriting Agreement, the Placing Agreement, the Open Offer and the transactions contemplated thereunder; and (ii) a special resolution to approve the Whitewash Waiver (at least 75% of the Independent Shareholders at the EGM by way of poll) in accordance with the Listing Rules and the Takeovers Code, respectively;
- (ii) the delivery to the Stock Exchange for authorisation and the registration with the Registrar of Companies in Hong Kong respectively of one copy of each of the Prospectus Documents duly signed by the Directors (or by their agents duly authorised in writing) as having been approved by resolution of the Directors (and all other documents required to be attached thereto) and otherwise in compliance with the Listing Rules and the Companies (WUMP) Ordinance not later than the Posting Date;
- (iii) the posting of the Prospectus Documents to the Qualifying Shareholders by the Posting Date and the posting of the Prospectus and a letter in the agreed form to the Non-Qualifying Shareholders, if any, for information purpose only explaining the circumstances in which they are not permitted to participate in the Open Offer on or before the Posting Date;
- (iv) the Listing Committee of the Stock Exchange granting or agreeing to grant (subject to allotment) and not having withdrawn or revoked listing of and permission to deal in the Open Offer Shares by no later than the first day of their dealings;
- (v) compliance with the requirements under the applicable laws and regulations of Hong Kong and Cayman Islands;
- (vi) the Executive granting the Whitewash Waiver to the Underwriter and the satisfaction of all conditions (if any) attached to the Whitewash Waiver granted;

- (vii) the obligations of the Underwriter becoming unconditional and that the Underwriting Agreement is not terminated in accordance with its terms; and
- (viii) the compliance with and performance of all the undertakings and obligations of the Underwriter under the Irrevocable Undertakings.

SFC-B1Q5

None of the conditions precedent above is capable of being waived by any party to the Underwriting Agreement. If the conditions precedent above are not satisfied by the Latest Time for Termination (or such later date or dates as the Underwriter and the Company may agree in writing), the Underwriting Agreement will terminate and all liabilities of the parties to the Underwriting Agreement will terminate and, save in respect of certain provisions and any rights or obligations which may accrue under the Underwriting Agreement prior to such termination, neither party will have any claim against the other party for costs, damages, compensation or otherwise save for any antecedent breaches. As at the date of this announcement, none of the above conditions precedent has been fulfilled.

SFC-B1Q6

Termination of the Underwriting Agreement

The Underwriter will be entitled by a notice in writing to the Company, served prior to the Latest Time for Termination, to terminate the Underwriting Agreement if, prior to the Latest Time for Termination:

- (i) in the reasonable opinion of the Underwriter, the success of the Open Offer would be materially and adversely affected by:
- (a) the introduction of any new regulation or any change in existing law or regulation (or the judicial interpretation thereof) or other occurrence of any nature whatsoever which may in the reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or is materially adverse in the context of the Open Offer; or
 - (b) the occurrence of any local, national or international event or change (whether or not forming part of a series of events or changes occurring or continuing before, and/or after the date thereof), of a political, military, financial, economic or other nature, or in the nature of any local, national or international outbreak or escalation of hostilities or armed conflict, or affecting local securities markets which may, in the sole and reasonable opinion of the Underwriter materially and adversely affect the business or the financial or trading position or prospects of the Group as a whole or materially and adversely prejudice the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer;

- (ii) any adverse change in market conditions (including, without limitation, a change in fiscal or monetary policy or foreign exchange or currency markets, suspension or material restriction of trading in securities) occurs which in the sole and reasonable opinion of the Underwriter is likely to materially or adversely affect the success of the Open Offer or otherwise makes it inexpedient or inadvisable to proceed with the Open Offer; or
- (iii) there is any change in the circumstances of the Company or any member of the Group which in the reasonable opinion of the Underwriter will adversely affect the prospects of the Company, including without limiting the generality of the foregoing the presentation of a petition or the passing of a resolution for the liquidation or winding up or similar event occurring in respect of any of member of the Group or the destruction of any material asset of the Group; or
- (iv) any event of force majeure including, without limiting the generality thereof, any act of God, war, riot, public disorder, civil commotion, fire, flood, explosion, epidemic, terrorism, strike or lock-out which in the reasonable opinion of the Underwriter will materially and adversely affect the success of the Open Offer and/or the prospects of the Group taken as a whole; or
- (v) any other material adverse change in relation to the business or the financial or trading position or prospects of the Group as a whole whether or not ejusdem generis with any of the foregoing; or
- (vi) any matter which, had it arisen or been discovered immediately before the date of the Prospectus Documents and not having been disclosed in the Prospectus Documents, would have constituted, in the reasonable opinion of the Underwriter, a material omission in the context of the Open Offer; or
- (vii) any suspension in the trading of securities generally or the Company's securities on the Stock Exchange for a period of more than ten consecutive business days, excluding any suspension in connection with the clearance of the Announcement or the Prospectus Documents or other announcements in connection with the Open Offer.

If prior to the Latest Time for Termination, any such notice as is referred to above is given by the Underwriter, the obligations of all parties under the Underwriting Agreement (save and except for certain clauses which will remain in full force and effect as set out in the Underwriting Agreement and save further that the Company shall pay the fees and expenses specified in certain clauses under the Underwriting Agreement) will terminate forthwith and no party will have any claim against any other party for costs, damages, compensation or otherwise save for any antecedent breaches.

If the Underwriter terminates the Underwriting Agreement, the Open Offer will not proceed.

WARNING OF THE RISKS OF DEALING IN THE SHARES

THE OPEN OFFER IS SUBJECT TO CERTAIN CONDITIONS INCLUDING BUT NOT LIMITED TO THE EXECUTIVE GRANTING THE WHITEWASH WAIVER AND APPROVAL OF THE OPEN OFFER AND THE WHITEWASH WAIVER BY THE INDEPENDENT SHAREHOLDERS AT THE EGM. IF THE EXECUTIVE DOES NOT GRANT THE WHITEWASH WAIVER AND THE APPROVAL OF THE OPEN OFFER AND THE WHITEWASH WAIVER BY THE INDEPENDENT SHAREHOLDERS AT THE EGM IS NOT OBTAINED, THE OPEN OFFER WILL NOT PROCEED.

ANY SHAREHOLDER OR OTHER PERSON CONTEMPLATING TRANSFERRING, SELLING OR PURCHASING SHARES IS ADVISED TO EXERCISE CAUTION WHEN DEALING IN THE SHARES. ANY PERSON WHO IS IN ANY DOUBT ABOUT HIS/HER/ITS POSITION OR ANY ACTION TO BE TAKEN IS RECOMMENDED TO CONSULT HIS/HER/ITS OWN PROFESSIONAL ADVISER(S). ANY SHAREHOLDER OR OTHER PERSON DEALING IN THE SHARES UP TO THE DATE ON WHICH ALL THE CONDITIONS TO WHICH THE OPEN OFFER IS SUBJECT ARE FULFILLED WILL ACCORDINGLY BEAR THE RISK THAT THE OPEN OFFER MAY NOT PROCEED.

FUNDRAISING EXERCISE IN THE PRECEDING TWELVE-MONTH PERIOD

The Company has not conducted any fundraising activity in the past twelve months immediately prior to the date of this announcement.

EXPECTED TIMETABLE FOR THE OPEN OFFER

The expected timetable for the Open Offer is set out below:

Event	Date (Hong Kong time) <small>HKEX-B1Q5</small>
Despatch date of the Circular, proxy form and notice of the EGM	Thursday, 18 January 2024
Latest time for registration of Shares to qualify for attendance and voting at the EGM	4:30 p.m. on Monday, 4 March 2024
Closure of register of members of the Company to determine the qualification for attendance and voting at the EGM	From Tuesday, 5 March 2024 to Friday, 8 March 2024 (both dates inclusive)
Latest time for lodging proxy forms for the EGM	10:00 a.m. on Wednesday, 6 March 2024
Record date for attendance and voting at the EGM	Friday, 8 March 2024
Time and date of the EGM	10:00 a.m. on Friday, 8 March 2024
Announcement of the poll results of the EGM	Friday, 8 March 2024
Re-opening of the register of members of the Company	Monday, 11 March 2024
Last day of dealings in the Shares on a cum-entitlements basis	Monday, 11 March 2024
First day of dealings in the Shares on an ex-entitlements basis	Tuesday, 12 March 2024
Latest time for lodging transfers of the Shares in order for the transferees to qualify for the Open Offer	4: 30 p.m. on Wednesday, 13 March 2024
Closure of register of members to determine the entitlements to the Open Offer	From Thursday, 14 March 2024 to Wednesday, 20 March 2024 (both dates inclusive)

Record Date for the Open Offer	Wednesday, 20 March 2024
Re-opening of the register of members of the Company	Thursday, 21 March 2024
Despatch of Prospectus Documents (in the case of the Non-Qualifying Shareholders, the Prospectus only)	Thursday, 21 March 2024
Latest Time for Application and payment for the Open Offer Shares	4: 00 p.m. on Tuesday, 9 April 2024
Announcement of the number of the Unsubscribed Shares subject to the Unsubscribed Arrangements	Friday, 12 April 2024
Commencement of placing of the Unsubscribed Shares by the Placing Agent, on best effort basis	Monday, 15 April 2024
Placing End Date for placing the Unsubscribed Shares	4: 00 p.m. on Tuesday, 16 April 2024
Latest Time for Termination by the Underwriter	4: 00 p.m. on Tuesday, 16 April 2024
Open Offer Settlement Date and the Open Offer becomes unconditional	4: 00 p.m. on Wednesday, 17 April 2024
Announcement of the results of the Open Offer (including the results of placing of the Unsubscribed Shares)	Thursday, 18 April 2024
Despatch of certificates for the fully-paid Open Offer Shares	Friday, 19 April 2024
Despatch of refund cheques if the Open Offer is terminated	Friday, 19 April 2024
First day of dealings in the fully-paid Open Offer Shares	9:00 a.m. on Monday, 22 April 2024

The expected timetable set out above is indicative only and is subject to change, and any change will be announced by the Company by separate announcement(s) as and when appropriate.

Effect of bad weather on the Latest Time for Application

The Latest Time for Application will not take place if a tropical cyclone signal no. 8 or above, or “extreme conditions” caused by super typhoons or a “black” rainstorm warning is:

- (i) in force in Hong Kong at any local time before 12:00 noon and no longer in force after 12:00 noon on Tuesday, 9 April 2024, being the date of the Latest Time for Application; instead the Latest Time for Application will be extended to 5:00 p.m. on the same Business Day;
- (ii) in force in Hong Kong at any local time between 12:00 noon and 4:00 p.m. on Tuesday, 9 April 2024, being the date of the Latest Time for Application; instead, the Latest Time for Application will be rescheduled to 4:00 p.m. on the following Business Day which does not have either of those warnings in force at any time between 9:00 a.m. and 4:00 p.m..

If the Latest Time for Application does not take place on Tuesday, 9 April 2024, the dates mentioned in the section headed “Expected Timetable for the Open Offer” above may be affected. The Company will notify the Shareholders by way of announcements on any change to the expected timetable as soon as practicable.

EFFECT OF THE OPEN OFFER ON THE SHAREHOLDING STRUCTURE OF THE COMPANY

	(i) As at the date of this announcement		(ii) Immediately upon the Open Offer Completion assuming full acceptance by all Qualifying Shareholders under the Open Offer		(iii) Immediately upon the Open Offer Completion assuming (a) no acceptance by the Qualifying Shareholders (other than the Underwriter, Mr. Liu and the parties acting in concert with them) under the Open Offer; and (b) all the Unsubscribed Shares were placed to Independent Third Parties under the Unsubscribed Arrangements		(iv) Immediately upon the Open Offer Completion assuming (a) no acceptance by the Qualifying Shareholders (other than the Underwriter, Mr. Liu and the parties acting in concert with them) under the Open Offer; and (b) no Independent Third Parties took up the Unsubscribed Shares such that all the Unsubscribed Shares were taken up by the Underwriter	
	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%	Number of issued Shares	%
The Underwriter ⁽¹⁾⁽³⁾	130,457,399	16.31	195,686,099	16.31	195,686,099	16.31	466,502,409 466,502,408	38.88
Xiamen Dream Future ⁽²⁾⁽³⁾	126,330,885	15.79	189,496,328	15.79	189,496,328	15.79	189,496,327 189,496,328	15.79
Many Idea Qushuo ⁽³⁾⁽⁴⁾	1,579,097	0.20	2,368,645	0.20	2,368,645	0.20	2,368,645	0.20
Subtotal	258,367,381	32.30	387,551,072	32.30	387,551,072	32.30	658,367,381	54.87
Directors⁽⁵⁾								
Mr. Chen Shancheng ⁽⁶⁾	15,119,887	1.89	22,679,830	1.89	15,119,887	1.26	15,119,887	1.26
Mr. Chen Zeming ⁽⁷⁾	1,963,278	0.25	2,944,917	0.25	1,963,278	0.16	1,963,278	0.16
Subtotal (the Underwriter, Mr. Liu, the parties acting in concert with them and Directors)	275,450,546	34.44	413,175,819	34.44	404,634,225 404,634,237	33.72	675,450,546	56.29
Independent placees	–	–	–	–	270,816,321 270,816,309	22.57	–	–
Other public Shareholders	524,549,454	65.56	786,824,181	65.56	524,549,454	43.71	524,549,454	43.71
Total	800,000,000	100.00	1,200,000,000	100.00	1,200,000,000	100.00	1,200,000,000	100.00

Notes:

1. The Underwriter is an investment holding company beneficially and wholly owned by Mr. Liu. Under the Takeovers Code, Mr. Liu is a party acting in concert with the Underwriter by virtue of his shareholding in the Underwriter. Under the SFO, Mr. Liu is deemed to be interested in all the Shares registered in the name of the Underwriter.
2. Xiamen Dream Future is owned as to 90% by ZJJ Many Idea, 9.9% by Mr. Liu and 0.1% by Ms. Qu. ZJJ Many Idea is owned as to 99% by Mr. Liu and 1% by Ms. Qu. Accordingly, ZJJ Many Idea is deemed to be interested in such number of Shares held by Xiamen Dream Future by virtue of the SFO.
3. Mr. Liu is the spouse of Ms. Qu. Each of Mr. Liu and Ms. Qu is deemed to be interested in the Shares held by one another by virtue of the SFO.
4. Many Idea Qushuo is wholly owned by Ms. Qu. Accordingly, Ms. Qu is deemed to be interested in such number of Shares held by Many Idea Qushuo by virtue of the SFO.
5. Save as disclosed in this table, no other Director holds Shares as at the date of this announcement.
6. Under the Takeovers Code, Mr. Chen Shancheng is a director of the Company and is presumed to be acting in concert with the Underwriter under class (6) of the definition of “acting in concert”.
7. Under the Takeovers Code, Mr. Chen Zeming is a director of the Company and is presumed to be acting in concert with the Underwriter under class (6) of the definition of “acting in concert”.

As illustrated above, if no Qualifying Shareholders take up the Open Offer Shares and no Unsubscribed Shares can be placed to independent placees, upon the Open Offer Completion, (i) the shareholding of the existing public Shareholders would be reduced from approximately 65.56% as at the date of this announcement to approximately 43.71% of the enlarged issued share capital of the Company, and (ii) the shareholding of the Underwriter, Mr. Liu and the parties acting in concert with them would be increased from approximately 32.30% as at the date of this announcement to approximately 54.87%.

The Underwriter has undertaken to the Company under the Underwriting Agreement that if the subscription for the Unsubscribed Shares by the Underwriter pursuant to the Underwriting Agreement will result in insufficient public float of the Company within the meaning of the Listing Rules, the Underwriter will, subject to compliance with the Takeovers Code, take all appropriate steps including but not limited to the engagement of a placing agent to procure subscribers (who are Independent Third Parties) to subscribe for the Shares which would otherwise be required to be taken up by the Underwriter under the Underwriting Agreement in order to restore the minimum public float requirement of the Company in compliance with Rule 8.08(1)(a) of the Listing Rules.

If a Qualifying Shareholder does not subscribe for his/her/its assured allotment in full under the Open Offer, his/her/its proportionate shareholding in the Company will be diluted.

TAKEOVERS CODE IMPLICATIONS AND APPLICATION FOR THE WHITEWASH WAIVER

As at the date of this announcement, the Underwriter and its beneficial owner, Mr. Liu, together with the parties acting in concert with any of them beneficially own in aggregate 258,367,381 Shares, representing approximately 32.30% of the entire issued share capital of the Company. Assuming (i) there is no change in the number of issued Shares from the date of this announcement up to and including the date of close of the Open Offer; (ii) none of the Qualifying Shareholders other than the Underwriter, Mr. Liu and the parties acting in concert with them have taken up their entitlements under the Open Offer; and (iii) none of the Unsubscribed Shares have been taken up under the Unsubscribed Arrangement, the interests in the Company held by the Underwriter, Mr. Liu and the parties acting in concert with them upon the close of the Open Offer will increase from the current level of approximately 32.30% to approximately 54.87% of the issued share capital of the Company as enlarged by the allotment and issue of the Open Offer Shares. The Underwriter and Mr. Liu will, in the absence of the Whitewash Waiver, be obliged to make a mandatory cash offer for all issued Shares not already owned or agreed to be acquired by them pursuant to Rule 26 of the Takeovers Code.

An application will be made by the Underwriter and Mr. Liu to the Executive for the Whitewash Waiver. The Whitewash Waiver, if granted by the Executive, would be subject to, among other things, (i) the approval of the Whitewash Waiver by at least 75% of the Independent Shareholders at the EGM by way of poll; and (ii) the approval by more than 50% of the Independent Shareholders at the EGM by way of poll in respect of the Open Offer, the Underwriting Agreement and the transactions contemplated thereunder. Save for the Underwriter, Mr. Liu and the parties acting in concert with them including those by virtue of the class (6) presumption under the definition of “acting in concert” under the Takeovers Code (i.e. Mr. Chen Shancheng and Mr. Chen Zeming) and those who are involved in and/or interested in the Open Offer and the Whitewash Waiver, no Shareholder is required to abstain from voting in favour of the proposed resolution approving the Whitewash Waiver at the EGM. If the Whitewash Waiver is not granted by the Executive, the Open Offer will not proceed.

As at the date of this announcement, the Company believes that the Open Offer would not give rise to any concern in relation to compliance with other applicable rules or regulations (including the Listing Rules). If a concern should arise after the release of this announcement, the Company will endeavour to resolve the matter to the satisfaction of the relevant authority as soon as possible but in any event before the despatch of the Circular. The Company and the Underwriter note that the Executive may not grant the Whitewash Waiver if the Open Offer does not comply with other applicable rules and regulations.

DEALINGS AND INTEREST IN THE SECURITIES OF THE COMPANY

As at the date of this announcement, neither the Underwriter nor any parties acting in concert with it (including those by virtue of the class (6) presumption under the definition of “acting in concert” under the Takeovers Code (i.e. Mr. Chen Shancheng and Mr. Chen Zeming)) with any of them:

- (a) save for the Shares as set out in the section headed “Effect on the Shareholding Structure of the Company” above, owns, controls or has direction over any Shares and right over Shares, outstanding options, warrants, or any securities that are convertible into Shares or any derivatives in respect of securities in the Company, or hold any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (b) has received any irrevocable commitment to vote for or against the Open Offer, the Underwriting Agreement and/or the Whitewash Waiver;
- (c) has borrowed or lent any relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) in the Company;
- (d) save for the Irrevocable Undertakings given by the Undertaking Providers, details of which as set out in the section headed “Irrevocable Undertakings” above, there are no arrangements referred to in Note 8 to Rule 22 of the Takeovers Code (whether by way of option, indemnity or otherwise) in relation to the relevant securities (as defined in Note 4 to Rule 22 of the Takeovers Code) of the Company, which might be material to the Open Offer, the Underwriting Agreement and/or the Whitewash Waiver, with any other persons;
- (e) save that the Open Offer is conditional upon obtaining of the Whitewash Waiver by the Underwriter and Mr. Liu as set out in the Conditions of the Open Offer abovementioned, has any agreement or arrangement to which it is a party which relates to the circumstances in which it may or may not invoke or seek to invoke a pre-condition or a condition to the Open Offer and/or the Whitewash Waiver;
- (f) has dealt in any securities of the Company in the 6-month period preceding the date of this announcement; or
- (g) has entered into any derivative in respect of the securities in the Company which are outstanding.

As at the date of this announcement:

- (a) apart from the Open Offer Shares to be subscribed and underwritten by the Underwriter, the Company has not paid and will not pay any other consideration, compensation or benefit in whatever form to the Underwriter and any parties acting in concert with it in connection with the Open Offer;
- (b) apart from the Underwriting Agreement and the Irrevocable Undertakings, there is no other understanding, arrangement or special deal between the Group on the one hand, and the Underwriter and any parties acting in concert with it on the other hand; and
- (c) there is no understanding, arrangement or agreement or special deal between (i) any Shareholders; and (ii) the Underwriter and any parties acting in concert with it, or the Company, its subsidiaries or associated companies.

REASONS FOR THE OPEN OFFER AND THE USE OF PROCEEDS

Information on the Group

SFC-B1Q12

The Group is principally engaged in the provision of integrated marketing solutions services in the PRC. The Group's integrated marketing solutions services consist of five types of marketing services, namely (i) content marketing; (ii) SaaS interactive marketing; (iii) digital marketing; (iv) public relations event planning; and (v) media advertising. Content marketing uses content as the carrier and integrates advertisements of brand customers into various events and videos to achieve marketing purposes. It can be divided into two broad categories: event content marketing and digital content marketing. Among event content marketing, sports content marketing relies on sports events such as marathons and street dancing for marketing purposes.

Information on the Underwriter and Mr. Liu

SFC-B1Q13

The Underwriter is an investment holding company incorporated in the British Virgin Islands on 28 May 2021 and is wholly-owned by Mr. Liu. It is one of the Controlling Shareholders. Mr. Liu is the founder, chairman of the Board, chief executive officer, executive Director, one of the Controlling Shareholders and the spouse of Ms. Qu.

Use of proceeds

The gross proceeds from the Open Offer are expected to be approximately HK\$[60.0] million. The net proceeds from the Open Offer after deducting related expenses are estimated to be approximately HK\$[58.79] million. The net price per Open Offer Share is expected to be approximately HK\$[0.147]. The Company intends to apply the net proceeds from the Open Offer as follows:

- (i) approximately HK\$[52.91] million for purchasing media resources, in particular, its online traffic from TikTok for its customers to place advertisements via the new TikTok distribution channel (the “**TikTok Distribution Channel**”), and promotion of the TikTok Distribution Channel; and
- (ii) approximately HK\$[5.88] million as general working capital of the Company.

HKEX-B1Q6

Reference is made to the announcement (the “**Announcement**”) of the Company dated 14 December 2023 in relation to the discloseable transaction relation to the formation of a joint venture and the change in use of proceeds from the Global Offering (the “**Net Proceeds**”). As stated in the Announcement, approximately HK\$84.8 million originally allocated for scaling up the Group’s IP contents portfolio and expanding its integrated marketing solutions business had already been fully utilised as at 30 November 2023, and the Group has decided to re-allocate approximately HK\$34.2 million of the unutilised Net Proceeds to expand its IP content portfolio and its integrated marketing solutions business (the “**Re-allocated Unutilised Proceeds**”). As at the date of this announcement, the Re-allocated Unutilised Proceeds have not been utilised.

HKEX-B2Q+

SFC-B+Q+4

In March 2023, to strengthen its cooperation with the leading media platform, TikTok, the Group has entered into a strategic partnership with TikTok to launch the new TikTok distribution channel to become the first-tier agent of TikTok. As a result, the Group’s revenue from its integrated marketing services, in particular, the digital marketing services has been growing steadily since the first half of 2023. Since the launch of the TikTok Distribution Channel, the Group has been receiving positive feedback and recognition from its customers, and has received an unexpected surge in the number of orders from its customers for placing advertisements through such channel, exceeding the expectation of the management of the Company. Based on the operational data of the Group for the nine months ended 30 November 2023, the number of orders received by the Group in respect of utilising the TikTok Distribution Channel has been growing exponentially with orders amounted to approximately RMB72.2 million received on average per month. In particular, for the three months ended 30 November 2023, the Group had received orders amounting to approximately RMB100.0 million on average each month from its customers for advertising via such channel. To cater such substantial and persistent demand from the Group’s customers, the Company intends to further purchase advertising resources from TikTok, particularly, its online traffic. In view of the successful debut of the TikTok Distribution Channel, the Company also sees a promising prospect of the TikTok Distribution Channel and expects the TikTok Distribution Channel business to continue to grow, and thus intends to invest more marketing efforts in promoting the TikTok Distribution Channel to accelerate the development of such channel so as to capitalise on the prevailing market trend.

Further, as stated in the Announcement, the Company, through its indirect wholly-owned subsidiary, Xiamen Instant Interactive, has entered into a cooperation agreement with Shanghai Yuzheng on 14 December 2023 in relation to the formation of a joint venture company (the “**JV Company**”), pursuant to which, among others, Xiamen Instant Interactive has committed to make a capital contribution of RMB47 million in cash to the JV Company. According to the aforesaid agreement, such capital contribution has to be made by Xiamen Instant Interactive by May 2024. In view of such existing obligation of making capital contribution to the JV Company, the Company has decided to re-allocate approximately HK\$51.6 million of the unutilised Net Proceeds to the establishment of the JV Company to satisfy such imminent funding need instead of re-allocating such portion of unutilised Net Proceeds to the development of the TikTok Distribution Channel business, which has been financed by the Group’s internal resources and bank borrowings.

In light of the above, to capture the unexpected escalating demand for the digital marketing services of the Group mainly attributable to the launch of the TikTok Distribution Channel earlier this year, especially the plan to form such strategic partnership with TikTok, and thus the launch of such channel was not emerged at the time when the Company was formulating its future plans and use of proceeds as set out in the prospectus of the Company dated 28 October 2022, the Directors are of the view that it is justifiable for the Group to allocate a substantial amount of net proceeds from the Open Offer to further invest resources in such business segment in addition to the Re-allocated Unutilised Proceeds to fuel the expected growth of the Group's business in light of the emerging trend of utilising prevailing online marketing tools, including TikTok, in the PRC.

Alternative fundraising methods

The Company has considered alternative fundraising methods which included debt financing, placing of new Shares and rights issue. The Board is of the view that debt financing would result in additional finance costs and increase the Group's liabilities burden. The Board also considers that debt financing is not an appropriate option to obtain additional funds. The Board is also of the view that placing of new Shares (i) would only be available to certain placees who may not necessarily be existing Shareholders and would dilute the shareholding of existing Shareholders; and (ii) may raise funds in a relatively larger size in light of the funding needs set out above.

As for a rights issue, considering it involves the trading of nil-paid rights, the Board is of the view that the Company will have to incur extra administrative work and cost for preparation, printing, posting and processing of trading arrangements in relation to the nil-paid rights. The Company will also incur additional resources to administer the trading of the nil-paid rights including communication between the Company and other parties, such as the Registrar or financial printer engaged by the Company.

In view of the above, the Directors do not consider that debt financing or equity fundraising methods by way of placing of new shares or rights issue would be in the overall interests of the Company and its Shareholders. The Directors consider the Open Offer to be an appropriate method to raise the necessary funding which will provide all Qualifying Shareholders the right to participate in the new share issue by the Company in proportion to their shareholding in the Company should they wish to do so. It is prudent to finance the Group's long-term business development by long-term financing, in the form of Open Offer which will not increase the Group's finance costs.

The Board believes that it would be in the interest of the Company to raise equity funding via the Open Offer to facilitate long-term development of the Group and to save financial costs to be incurred for the Company's funding needs. In addition, the Open Offer would allow the Company to strengthen its capital base and provide an opportunity to all Shareholders (other than the Non-Qualifying Shareholders) to participate in the growth of the Company in proportion to their shareholdings.

Having considered the above, the Directors (excluding the members of the Independent Board Committee whose view will be contained in the Circular after having reviewed the advice from the Independent Financial Adviser) consider that the terms of the Open Offer are on normal commercial terms, fair and reasonable and in the interests of the Company and the Shareholders as a whole.

LISTING RULES IMPLICATIONS

Open Offer

As the Open Offer Shares are not issued pursuant to the general mandate of the Company, in accordance with Rule 7.24A(1) of the Listing Rules, among other things, the Open Offer must be made conditional on approval by the Independent Shareholders at the EGM and, pursuant to Rule 7.27A(1) of the Listing Rules, any controlling Shareholders and their associates, or where there is no controlling Shareholder, the Directors (other than the independent non-executive Directors) and the chief executive of the Company and their respective associates shall abstain from voting in favour of the resolution(s) relating to the Open Offer. As such, Mr. Liu, Ms. Qu, ZJJ Many Idea, Xiamen Dream Future, Many Idea Liujianhui and Many Idea Qushuo as a group of Controlling Shareholders of the Company and their respective associates shall abstain from voting in favour of the resolutions to approve the Open Offer at the EGM.

Connected transactions in relation to the Underwriting Agreement

As at the date of this announcement, the Underwriter (which is wholly owned by Mr. Liu) owns 130,457,399 Shares, representing approximately 16.31% of the number of Shares in issue. The Underwriter is a substantial shareholder of the Company and therefore a connected person of the Company. Accordingly, the transaction contemplated under the Underwriting Agreement constitutes a connected transaction for the Company under the Listing Rules and the Underwriting Agreement is subject to the reporting, announcement and Independent Shareholders' approval requirements under Chapter 14A of the Listing Rules. The Underwriter and its associates will abstain from voting in favour of the resolution(s) in relation to the Underwriting Agreement and the transactions contemplated thereunder at the EGM.

EXTRAORDINARY GENERAL MEETING AND INDEPENDENT SHAREHOLDERS' APPROVAL

The EGM will be convened and held to consider and, if appropriate, approve the Open Offer, the Underwriting Agreement and the Whitewash Waiver and the transactions contemplated thereunder.

The Underwriter, Mr Liu, and parties acting in concert with any of them (including the Undertaking Providers, Mr. Chen Shancheng and Mr. Chen Zeming) and those who are involved in and/or interested in the Open Offer, the Underwriting Agreement and the Whitewash Waiver will abstain from voting at the EGM in respect of the resolutions for the Open Offer, the Underwriting Agreement and the Whitewash Waiver. In accordance with the Listing Rules and the Takeovers Code, the resolution(s) (i) in relation to the Whitewash Waiver will be approved by at least 75% of the independent votes that are either in person or by proxy by the Independent Shareholders at the EGM; and (ii) in relation of the Open Offer, the Underwriting Agreement and the transactions contemplated thereunder will be approved by more than 50% of the independent votes that are either in person or by proxy by the Independent Shareholders at the EGM.

CLOSURE OF REGISTER OF MEMBERS

The register of members of the Company will be closed from Tuesday, 5 March 2024 to Friday, 8 March 2024 (both days inclusive) to determine the qualification for attendance and voting at the EGM. No transfer of Shares will be registered during this period.

The register of members of the Company will be closed from Thursday, 14 March 2024 to Wednesday, 20 March 2024 (both dates inclusive) to determine entitlements to the Open Offer. No transfer of Shares will be registered during this period.

ESTABLISHMENT OF THE INDEPENDENT BOARD COMMITTEE AND APPOINTMENT OF THE INDEPENDENT FINANCIAL ADVISER

The Company has established the Independent Board Committee, comprising all the independent non-executive Directors, to advise the Independent Shareholders in respect of the Open Offer, the Underwriting Agreement and the transactions contemplated therein, and the Whitewash Waiver, and as to the voting action therefor.

Pursuant to Rule 2.8 of the Takeovers Code, members of the independent committee should comprise all non-executive Directors who have no direct or indirect interest in the Whitewash Waiver other than as a Shareholder. Each of Ms. Wang Yingbin, Ms. Wong Yan Ki, Angel, Mr. Tian Tao and Ms. Xiao Huilin has no involvement and no direct or indirect interests in the Open Offer, the Underwriting Agreement and the Whitewash Waiver, and is therefore eligible to be a member of the Independent Board Committee.

Rainbow Capital (HK) Limited has been appointed as the independent financial adviser to advise the Independent Board Committee in respect of the Open Offer, the Underwriting Agreement and the Whitewash Waiver. The appointment of the Independent Financial Adviser has been approved by the Independent Board Committee pursuant to Rule 2.1 of the Takeovers Code.

DESPATCH OF CIRCULAR

The Circular containing, among other things, (i) information regarding the Open Offer, the Underwriting Agreement, the Whitewash Waiver and the transactions contemplated thereunder; (ii) the recommendation from the Independent Board Committee to the Independent Shareholders on the Open Offer, the Underwriting Agreement and the Whitewash Waiver; (iii) the advice of the Independent Financial Adviser to the Independent Board Committee and the Independent Shareholders in relation to the Open Offer, the Underwriting Agreement and the Whitewash Waiver; (iv) other information required under the Listing Rules and the Takeovers Code; and (v) the notice of the EGM is required to be despatched to the Shareholders within 15 Business Days from the date of this announcement pursuant to Rule 14A.68(11) of the Listing Rules and 21 days from the date of this announcement pursuant to Rule 8.2 of the Takeovers Code (i.e. on or before Thursday, 18 January 2024), whichever is earlier.

WARNING OF THE RISKS OF DEALING IN THE SHARES

SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY SHOULD NOTE THAT THE OPEN OFFER IS CONDITIONAL UPON, AMONG OTHERS, CONDITIONS PRECEDENT AS SET OUT IN SECTION HEADED “CONDITIONS OF THE OPEN OFFER” ABOVE. ACCORDINGLY, THE OPEN OFFER MAY OR MAY NOT PROCEED.

ANY DEALINGS IN THE SHARES FROM THE DATE OF THIS ANNOUNCEMENT UP TO THE DATE ON WHICH ALL THE CONDITIONS OF THE OPEN OFFER ARE FULFILLED WILL BEAR THE RISK THAT THE OPEN OFFER MAY NOT BECOME UNCONDITIONAL OR MAY NOT PROCEED.

SHAREHOLDERS AND POTENTIAL INVESTORS OF THE COMPANY ARE ADVISED TO EXERCISE IN CAUTION WHEN DEALING IN THE SECURITIES OF THE COMPANY, AND IF THEY ARE IN ANY DOUBT ABOUT THEIR POSITION, THEY SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISERS.

DEFINITIONS

In this announcement, unless the context otherwise requires, the following terms shall have the following meanings:

“acting in concert”	has the meaning ascribed thereto under the Takeovers Code
“Application Form”	the application form to be used in connection with the Open Offer in such form as the Company may approve
“associate(s)”	has the meaning ascribed to it under the Listing Rules or the Takeovers Code (as the case may be)
“Board”	the board of Directors
“Business Day(s)”	a day (other than a Saturday, Sunday, a public holiday or days on which a typhoon signal no. 8 or above or black rainstorm signal is hoisted in Hong Kong between 9:00 a.m. to 5:00 p.m.) on which banks are generally open for business in Hong Kong
“CCASS”	the Central Clearing and Settlement System established and operated by HKSCC
“Circular”	the circular to be despatched to the Shareholders in respect of, among other things, the Open Offer, the Underwriting Agreement, the Whitewash Waiver and the transactions contemplated thereunder

“Companies (WUMP) Ordinance”	the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Chapter 32 of the Laws of Hong Kong), as amended from time to time
“Company”	Many Idea Cloud Holdings Limited 多想雲控股有限公司, a company incorporated in the Cayman Islands with limited liability, the shares of which are listed on the Stock Exchange (stock code: 6696)
“connected person(s)”	has the meaning ascribed to it under the Listing Rules
“Controlling Shareholders”	has the meaning ascribed to it under the Listing Rules and unless the context otherwise requires, refers to Mr. Liu, Ms. Qu, ZJJ Many Idea, Xiamen Dream Future, Many Idea Liujianhui and Many Idea Qushuo
“Director(s)”	the director(s) of the Company
“EGM”	the extraordinary general meeting of the Company to be convened for the purpose of considering and, if thought fit, approving the Open Offer, the Underwriting Agreement, the Whitewash Waiver and the transactions contemplated thereunder
“Executive”	the Executive Director of the Corporate Finance Division of the SFC or any of his delegate(s)
“General Rules of CCASS”	the terms and conditions regulating the use of CCASS, as may be amended or modified from time to time and where the context so permits, shall include the CCASS Operational Procedures
“Global Offering”	the offer of the Shares for subscription as set out in the section headed “Structure of the Global Offering” in the prospectus of the Company dated 28 October 2022
“Group”	collectively, the Company and its subsidiaries
“HK\$”	Hong Kong dollar, the lawful currency of Hong Kong
“HKSCC”	Hong Kong Securities Clearing Company Limited
“Hong Kong”	Hong Kong Special Administrative Region of the People’s Republic of China

“Independent Board Committee”	the independent committee of the Board, comprising all the independent non-executive Directors, namely, Ms. Wang Yingbin, Ms. Wong Yan Ki, Angel, Mr. Tian Tao and Ms. Xiao Huilin, established to advise the Independent Shareholders in respect of the Open Offer, the Underwriting Agreement and the Whitewash Waiver
“Independent Financial Adviser”	Rainbow Capital (HK) Limited, a corporation licensed to carry out Type 1 (dealing in securities) and Type 6 (advising on corporate finance) regulated activities under the SFO, being the independent financial adviser to advise the Independent Board Committee and the Independent Shareholders in relation to the Open Offer (including the transactions contemplated under the Underwriting Agreement) and the Whitewash Waiver
“Independent Shareholders”	Shareholders other than (i) the Underwriter, its ultimate beneficial owner and parties acting in concert with any of them; and (ii) those who are involved in or interested in the Open Offer, the Underwriting Agreement and the Whitewash Waiver and required under the Listing Rules and/or Takeovers Code (as the case may be) to abstain from voting at the EGM
“Independent Third Parties”	third parties independent of and not connected with the Company and its connected persons
“IP”	creations of the mind, such as literary and artistic works, videos, movies and images used in commerce
“Irrevocable Undertakings”	the irrevocable undertakings given by the Undertaking Providers
“Last Trading Day”	[2427 December] 2023, being the last trading day of the Shares on the Stock Exchange immediately before the publication of this announcement
“Latest Time for Application”	4:00 p.m. on Tuesday, 9 April 2024 or such other time or date as may be agreed between the Company and the Underwriter in writing, being the last time for application of and payment for the Open Offer Shares
“Latest Time for Termination”	4:00 p.m. on Tuesday, 16 April 2024, being the seventh Business Day after (but excluding) the Latest Time for Application, or such other time or date as may be agreed between the Company and the Underwriter, being the latest time to terminate the Underwriting Agreement
“Listing Committee”	has the same meaning ascribed thereto under the Listing Rules

SFC-B1Q17-8
Q18

“Listing Rules”	the Rules Governing the Listing of Securities on the Stock Exchange
“Many Idea Liujianhui”	Many Idea Liujianhui Limited, a company incorporated under the laws of BVI on 28 May 2021 with limited liability, which was wholly owned by Mr. Liu, and one of the Controlling Shareholders
“Many Idea Qushuo”	Many Idea Qushuo Limited, a company incorporated under the laws of the British Virgin Islands on 27 May 2021 with limited liability, which was wholly owned by Ms. Qu, and one of the Controlling Shareholders
“Mr. Liu”	Mr. Liu Jianhui (劉建輝), the executive Director, the sole shareholder of the Underwriter, one of the Controlling Shareholders and the spouse of Ms. Qu SFC-B1+Q19
“Ms. Qu”	Ms. Qu Shuo (曲碩), the executive Director, one of the Controlling Shareholders and the spouse of Mr. Liu SFC-B1+Q20
“No Action Shareholder(s)”	Qualifying Shareholder(s) who do not apply for the Open Offer Shares (whether partially or fully) in their assured allotments or Non-Qualifying Shareholders (as the case may be)
“Non-Qualifying Shareholder(s)”	those Overseas Shareholder(s) whom the Directors, after making enquiry regarding the legal restrictions under the laws of the relevant place and the requirements of the relevant regulatory body or stock exchange, consider it necessary or expedient to exclude from the Open Offer
“Open Offer”	the proposed offer for subscription of the Open Offer Shares at the Open Offer Price on the basis of one (1) Open Offer Share for every two (2) existing Shares held by the Shareholders on the Record Date and subject to the conditions precedent set out in the section headed “Conditions of the Open Offer” in this announcement and to be set out in the Prospectus
“Open Offer Completion”	completion of the Open Offer
“Open Offer Price”	the offer price of HK\$[0.15] per Open Offer Share
“Open Offer Settlement Date”	Wednesday, 17 April 2024 (or such other date as the Underwriter and the Company may agree in writing)

“Open Offer Shares”	the new Share(s) to be allotted and issued under the Open Offer, being 400,000,000 Shares (assuming no other change in the number of issued Shares from the date of this announcement up to and including the Record Date)
“Overseas Shareholder(s)”	Shareholder(s) whose name(s) appear on the register of members of the Company as at the close of business on the Record Date and whose address(es) as shown on such register is/are outside Hong Kong
“Placing Agent”	Metaverse Securities Limited, a corporation licensed to carry on type 1 (dealing in securities) regulated activity under the SFO, which will place the Unsubscribed Shares to investors who are Independent Third Parties under the Unsubscribed Arrangements
“Placing Agreement”	the agreement dated {28 December} 2023 entered into between the Company and the Placing Agent in respect of the Unsubscribed Arrangements
“Placing End Date”	4:00 p.m. on Tuesday, 16 April 2024, being the seventh Business Day following and excluding the day on which the Latest Time for Application falls
“Placing Period”	the period from Monday, 15 April 2024 up to 4:00 p.m. on Tuesday, 16 April 2024, or such other dates as the Company may announce, being the period during which the Placing Agent will seek to effect the Unsubscribed Arrangements
“Placing Price”	Not less than HK\${0.15} per Unsubscribed Share
“Posting Date”	Thursday, 21 March 2024, or such other date as the Company may determine and announce for the despatch of the Prospectus Documents
“PRC”	The People’s Republic of China
“Prospectus”	the offering circular to be issued by the Company in relation to the Open Offer which it proposes to register as a prospectus
“Prospectus Documents”	the Prospectus and the Application Form
“Qualifying Shareholder(s)”	Shareholder(s), whose name(s) appear on the register of members of the Company on the Record Date, other than the Non-Qualifying Shareholders
“Record Date”	the date by reference to which assured allotments under the Open Offer are expected to be determined, which is Wednesday, 20 March 2024 or such later date as may be determined and announced by the Company

“Registrar”	Computershare Hong Kong Investor Services Limited), the Company’s Hong Kong branch share registrar and transfer office
“RMB”	<u>Renminbi, the lawful currency of the PRC</u>
“SFC”	the Securities and Futures Commission
“SFO”	the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong), as amended from time to time
“Shanghai Yuzheng”	上海聿正投資管理有限公司 Shanghai Yuzheng Investment Management Co., Ltd., a company established under the laws of the PRC on 11 May 2021 <u>19 February 2016</u> with limited liability
“Share(s)”	ordinary share(s) in the share capital of the Company
“Shareholder(s)”	holder(s) of the Share(s)
“Stock Exchange”	The Stock Exchange of Hong Kong Limited
“substantial shareholder(s)”	has the meaning ascribed to it under the Listing Rules
“Takeovers Code”	the Hong Kong Code on Takeovers and Mergers
“Undertaking Providers”	Mr. Liu, Ms. Qu, ZJJ Many Idea, Xiamen Dream Future, Many Idea Liujianhui and Many Idea Qushuo
“Underwriter”	Many Idea Liujianhui, a company beneficially and wholly owned by Mr. Liu and a substantial shareholder of the Company
“Underwriting Agreement”	the underwriting agreement dated {28 December} 2023 and entered into between the Company and the Underwriter in relation to the Open Offer
“Unsubscribed Arrangements”	arrangements to place the Unsubscribed Shares by the Placing Agent on a best effort basis to investors who (or as the case may be, their ultimate beneficial owner(s)) are not Shareholders and are otherwise Independent Third Parties pursuant to Rule 7.26A(1)(b) of the Listing Rules
“Unsubscribed Shares”	Open Offer Shares that are not subscribed by the Qualifying Shareholders, aggregated fractional Open Offer Shares, and Open Offer Shares which would otherwise have been allotted to the Non-Qualifying Shareholders (as the case may be)

“Untaken Offer Shares”	all such Unsubscribed Shares that have not been placed by the Placing Agent or they have been placed but the placees have not paid therefore at 4: 00 p.m. on the Placing End Date
“Whitewash Waiver”	the whitewash waiver pursuant to Note 1 on dispensations from Rule 26 of the Takeovers Code of the obligations on the part of the Underwriter to make a mandatory general offer under Rule 26 of the Takeovers Code for all the securities of the Company not already owned or agreed to be acquired by the Underwriter and any parties acting in concert with it as a result of the issue of the Open Offer Shares subject to the terms and conditions as set out in this announcement
“Xiamen Dream Future”	Xiamen Huli District Dream Future Investment Partnership Enterprise (Limited Partnership)* (廈門市湖裏區夢想未來投資合夥企業(有限合夥)), a limited partnership established under the laws of the PRC on 10 July 2015, which was owned as to 90% by ZJJ Many Idea, 9.9% by Mr. Liu and 0.1% by Ms. Qu as at the date of this announcement, and one of the Controlling Shareholders SFC-B1-Q21
“Xiamen Instant Interactive”	Xiamen Instant Interactive Culture Communication Co., Ltd.* (廈門即刻互動文化傳播有限公司), a company established under the laws of the PRC on 11 May 2021 with limited liability and an indirect wholly owned subsidiary of the Company
“ZJJ Many Idea”	Zhangjiajie Lejian Many Idea Network Technology Centre (Limited Partnership)* (張家界樂見多想網路科技中心(有限合夥)), a limited partnership established under the laws of the PRC on 4 March 2021 which was owned as to 99% by Mr. Liu and 1% by Ms. Qu, and one of the Controlling Shareholders
“%”	per cent.

* For identification purpose only

By Order of the Board
Many Idea Cloud Holdings Limited
Liu Jianhui
Chairman of the Board

Hong Kong, {28 December} 2023

As at the date of this announcement, the Board comprises Mr. Liu Jianhui, Ms. Qu Shuo, Mr. Chen Shancheng and Mr. Chen Zeming as executive Directors and Ms. Wang Yingbin, Ms. Wong Yan Ki, Angel, Mr. Tian Tao and Ms. Xiao Huilin as independent non-executive Directors.

The Directors jointly and severally accept full responsibility for the accuracy of the information contained in this announcement and confirm, having made all reasonable inquiries, that to the best of their knowledge, opinions expressed in this announcement have been arrived at after due and careful consideration and there are no other facts not contained in this announcement, the omission of which would make any statement in this announcement misleading. SFC-B1-Q22